

Ghulam A. Nadri

# Eighteenth- Century Gujarat: The Dynamics of Its Political Economy, 1750-1800

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TANAP MONOGRAPHS ON THE HISTORY OF ASIAN-EUROPEAN INTERACTION

## Eighteenth-Century Gujarat

# TANAP Monographs on the History of Asian-European Interaction

*Edited by*

Leonard Blussé and Cynthia Viallé

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# Eighteenth-Century Gujarat

*The Dynamics of Its Political Economy, 1750-1800*

*By*

Ghulam A. Nadri



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*To my father and the memory of my mother*



## SERIES EDITOR'S FOREWORD

Probably nowhere in the world have such profound changes in historiography been occurring as in the nation states of Monsoon Asia that gained independence after the conclusion of the Pacific War in 1945. These traditionally outward-looking countries on the rims of the Indian Ocean and the Eastern Seas have been interacting with each other through maritime transport and trade for more than two millennia, but the exigencies of modern nation-building have tended to produce state-centred historical narratives that emphasise a distinctive heritage and foster cultural pride and identity on the basis of such heroic themes as anti-colonial resistance. No one will deny the need for and utility of such 'nation-building' agendas, but an inward-directed national historiography does not necessarily prepare one's citizens for our present age of regional co-operation and globalisation.

In the seventeenth and eighteenth centuries, the coastal societies of Monsoon Asia witnessed the entry of European traders, the emergence of global maritime trading networks, and the laying of the foundations of colonial empires that reached their apogees in the nineteenth and twentieth centuries. The difficulties of studying this pre-colonial and early colonial past should not be underestimated. Local sources are often rare because of wars and the frequent changes of both indigenous and colonial regimes. The hot and humid tropical climate is also unkind to the preservation of manuscripts. The mass of western-language data preserved in the archives of the former East India Companies and those of the Spanish and Portuguese empires in Asia often have an undeniably Europe-centred character and bias. Thus we face not only a highly imbalanced supply of source material, but also the very complex problem of how to decode the hidden agendas that often colour these primary materials.

Over the past fifty years there has been a pronounced effort in academic circles in North America, Australia and the former European colonial nations to 'decolonize' historical writing on Asian-European interaction, albeit for reasons totally different from those in their Asian counterparts. Increasingly doubt has been cast on such longstanding paradigms as the superiority of the dynamic West over static Asian societies. Historians of international trade such as the late Holden Furber, whose description of this period as 'The Age of Partnership' inspired the name of the TANAP programme, have taken an interest in the various ways and means by which Asian-European interaction began in various kinds of competition, rivalry, collaboration, diplomacy, and military confrontation. This



approach has forced historians to return to the archival sources and the places where these events unfolded with the result that new frontiers of research have opened up in which close partnerships between Asian and European historians, with their specific cultural tool kits and linguistic backgrounds, are now starting to bear fruit.

In anticipation of the four hundredth anniversary of the establishment of the Dutch East India Company in 1602, members of the History Department of Leiden University proposed the establishment of an international research programme aimed at training a new generation of Asian historians of Asian-European interaction in the early modern period. It was taken for granted that any such drive towards international educational co-operation should be carried out in carefully planned collaboration with the National Archives in The Hague, the Arsip Nasional of the Republic of Indonesia in Jakarta, and the archives of Cape Town (South Africa), Colombo (Sri Lanka), and Chennai (India), which together hold several kilometres of archival records from the former *Verenigde Oost-indische Compagnie*. The TANAP—Towards a New Age of Partnership—educational and archival preservation programme was started in 2000 thanks to generous grants from the Dutch Ministry of Education, Culture and Science, the Ministry of Foreign Affairs, the Netherlands Organization for Scientific Research (NWO), the Netherlands Foundation for the Advancement of Tropical Research (WOTRO), the Netherlands UNESCO Commission, and Leiden University. Twelve universities in Asia sent some thirty young lecturers to Leiden during 2001–2003. Under the auspices of the Research Institute for Asian-African and Amerindian Studies (CNWS), these historians participated in an advanced master's programme that included intensive courses on historiography, palaeography, and the old Dutch written language.

With additional funding from several Asian foundations, in 2002 seventeen of the TANAP graduates from Sri Lanka, India, Singapore, Indonesia, Thailand, Vietnam, China, Taiwan, Japan, South Africa, and the Netherlands began working towards a Ph.D. degree at Leiden. Three others went on to pursue their doctorates at universities elsewhere in the world. The *TANAP Monographs on the History of Asian-European Interaction*, which include two studies on early modern South African society, are the offspring of their doctoral theses defended at Leiden.

Leonard Blussé, Leiden University

## CONTENTS

Acknowledgements	xiii
Abbreviations	xvi
Glossary	xvii
Notes on weights and currency	xxi
Maps	xxii
Introduction	1
Euro–Asian context	3
South Asian context	5
Regional context	6
Sources	7
Chapter One: State and Political Power	9
Mughal rule in Gujarat and the rise of Surat	10
From the Mughals to the Marathas	13
The English political ascendancy in Gujarat	15
Local hereditary chiefs	19
Conclusion	21
Chapter Two: Market Economy, Labour, and Wages	23
Surat's textile industry	24
Caste, labour, and inter-professional mobility	27
Weavers, merchants and the English East India Company	29
Labour market	33
Carpenters and bricklayers	34
Maritime proletariat: the sailors	35
Organisation of the labour market and methods of recruitment	36
Wages and remuneration	40
Local navies and the maritime proletariat	41
Service sector	45
Conclusion	47
Chapter Three: Asian Merchants of Gujarat and Indian Ocean Trade	51
Merchant communities: family, diaspora, and network	52
Some prominent merchants and shipowners of Surat	54
Petty shipowners and freighters	60
Institutional dynamics of trade	66

The network: agents and intermediary merchants	66
Financial intermediation	69
Commercial intermediation: brokers	73
Merchants and the eighteenth-century political economy	76
Conclusion	83
Chapter Four: Gujarat in Asian and Euro–Asian Trade:	
The Dutch East India Company	85
The VOC's response to the early-eighteenth-century crisis	86
Disposal of imports: the VOC and its brokers	88
The VOC's imports into Gujarat	90
Fine spices: cloves and nutmeg	95
Pepper	101
Copper	103
Sugar	111
The VOC's exports from Gujarat	116
Methods of procurement: the VOC and its 'leveranciers'	123
European competition: growing challenges and the VOC's response	124
Conclusion	127
Chapter Five: The Gujarat Economy: Potentiality and Performance	129
Mid-century economic recovery	131
Scale of demand and supply	135
Agricultural production: food grain and commercial crops	140
Cotton prices	143
Who benefited from economic growth?	145
Imports and consumption	147
Conclusion	149
Conclusion	151
Notes	157
Appendices	
1. Farming of the English share of the customs revenue of Bhavanagar and Mowah	197
2. Labour wages at Surat	198
3. The family tree of three merchants of Surat	202
4. Annual values of the VOC's imports, sales, and profits at Surat, 1711–1793	204
5. Annual imports and sales of cloves and nutmeg by the VOC at Surat, 1702–1791	207

6. Annual imports and sales of pepper by the VOC at Surat, 1702–1792	210
7. Annual imports and sales of copper by the VOC at Surat, 1702–1791	213
8. Annual imports and sales of sugar by the VOC at Surat, 1702–1792	216
9. Purchase and sale prices, 1707–1792	219
10. Annual values of the VOC's exports from Surat, 1751–1792	221
11. Five-yearly average annual values of the VOC's exports from Surat, 1672–1792	222
12. Average cotton prices at Surat	223
Bibliography	225
Index	237
List of Maps	
1. The Indian Ocean	xxii
2. Mughal Gujarat	xxiii
List of Tables	
2.1 Muslim sailors of Surat recruited by the VOC	40
4.1 Five-yearly average annual values of the VOC's imports, sales and profits at Surat, 1711–1793	91
5.1 The English East India Company's procurement of Gujarat textiles	138
List of Figures	
4.1 Five-yearly average annual values of the VOC's imports, sales, and profits at Surat, 1711–1793	92
4.2 Changes in the average annual values of the VOC's imports, sales, and profits, 1711–1793	93
4.3 Five-yearly average annual imports of cloves and nutmeg into Surat by the VOC, 1711–1791	96
4.4 Five-yearly average annual values of the VOC's imports, sales, and profits on cloves at Surat, 1711–1791	97
4.5 Five-yearly average annual values of the VOC's imports, sales, and profits on nutmeg at Surat, 1711–1791	98
4.6 Changes in the average annual values of the VOC's pepper trade at Surat, 1702–1751	102
4.7 Five-yearly average annual volumes of copper sold by the VOC at Surat, 1702–1792	106
4.8 Changes in the average annual values of the VOC's imports,	

sales, and profits on copper at Surat, 1702–1791	107
4.9 Five-yearly average annual values of the VOC's imports, sales, and profits on copper at Surat, 1711–1792	108
4.10 Five-yearly average annual volumes of sugar sold by the VOC at Surat, 1702–1792	112
4.11 Five-yearly average annual values of the VOC's imports, sales, and profits on sugar at Surat, 1702–1792	113
4.12 Five-yearly average annual values of the VOC's exports from Gujarat, 1751–1792	118
4.13 Five-yearly average annual values of the VOC's exports from Gujarat, 1672–1792	120
4.14 Changes in the average annual values of the VOC's exports (excluding cash) from Gujarat, 1672–1792	121
5.1 Five-yearly average annual cotton prices, 1747–1799	142

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## ABBREVIATIONS

BCP	Bombay Commercial Proceedings
CUP	Cambridge University Press
IESHR	Indian Economic and Social History Review
JEH	Journal of Economic History
JESHO	The Journal of the Economic and Social History of the Orient
MAS	Modern Asian Studies
OUP	Oxford University Press
PIHC	Proceedings of the Indian History Congress
FRS	Factory Records: Surat
SFD	Surat Factory Diaryvi

## GLOSSARY

<i>Anna</i>	A money of account, one-sixteenth of a rupee.
<i>Ashrafi</i>	A term applied to various gold coins, especially the gold <i>muhr</i> (q.v.).
<i>Bajra</i> or <i>bajri</i>	A specie of millet, spiked or tall, grown as a dry crop in many parts of India.
<i>Bakhshi</i>	A Mughal official in charge of the military establishment.
<i>Bale</i> *	A measure of weight equal to half of a <i>candy</i> (q.v.).
<i>Bania</i>	A common term used for a number of Hindu and Jain mercantile castes of Gujarat.
<i>Batila</i>	A sort of boat characterised by a square stern and a long <i>ghurab</i> -like head used in western India, Sindh, and Bengal.
<i>Batta</i>	Agio, or difference in exchange; a discount on coins not currently in circulation or short in weight. Also an allowance made to officers and soldiers.
<i>Batty</i>	A variety of rice or paddy.
<i>Bazaar</i>	The daily market held in Surat at the <i>maidan</i> (garden) in front of the castle especially during the sailing seasons. There were many other places where such markets were held in Surat and in other cities and production centres.
<i>Bhag-batai</i>	A form of revenue collection; crop-sharing.
<i>Calico</i>	Cotton cloth of fine texture produced in many parts of the subcontinent.
<i>Candy</i> *	A European corruption of the Indian word <i>khandi</i> , meaning a lump, used as a measure of weight. Its corresponding value in pounds varied from one place to another. In Surat, a <i>candy</i> was reckoned at 690 Dutch pounds and 784 pounds avoirdupois. The Broach and Bhavanagar <i>candy</i> was equal to 880 and 840 pounds avoirdupois respectively.
<i>Cartaz</i>	License issued by the Portuguese authorities to Asian ships sailing in the Indian Ocean.
<i>Charkha</i>	A wooden instrument consisting of two rollers with a small gap between them and used for cleaning raw cotton; the term <i>charkha</i> is also used for the wooden wheel used for spinning yarn.
<i>Chauth</i>	Lit., one-fourth; the land revenue levied by the Marathas from provinces as a price for immunity from plunder.
<i>Chintz</i>	A printed and/or hand-painted cotton fabric.
<i>Coolie</i>	A derivative from the Urdu, <i>quli</i> , meaning a hired labourer.
<i>Corgi</i>	A mercantile term for a 'score', or a bundle of twenty pieces of cloth.
<i>Dadani</i>	A system of cash advances, from the Persian word <i>dadān</i> (to give).
<i>Dam</i> *	A copper coin current in the Mughal Empire, equal to one-fortieth of a rupee (q.v.) in Akbar's time, and later one-thirtieth of a rupee.
<i>Darogha</i>	The chief officer, superintendent or head of a customs or excise station.
<i>Daryai</i>	A kind of silk cloth prepared with gum.
<i>Dastak</i>	A pass or a permit.
<i>Dingi</i>	A small dugout boat or skiff; vessels of different size and war boats.
<i>Diwani</i>	The right to collect revenue from a territory.
<i>Diwali</i>	Hindu festival of light that falls between 15 October and 14 November.
<i>Ducat</i>	Gold coin common in West Asia.
<i>Farman</i>	A Mughal imperial order issued to the subordinate officials of the state.

<i>Fanam</i>	A gold or silver coin used in southern India.
<i>Furza</i>	The Mughal custom-house at Surat.
<i>Galbet</i>	<i>Gallivat</i> , a kind of galley or war boat.
<i>Ghalla-bakhshi</i>	A form of revenue collection; crop-sharing.
<i>Ghurab</i>	A square-rigged two- or three-masted fighting ship used on the western coast of India mainly by the Maratha privateers.
<i>Gumashta</i>	An agent.
<i>Haori</i>	A small vessel.
<i>Hasil</i>	The amount of revenue actually collected from the land.
<i>Heren XVII</i>	Gentlemen Seventeen, the seventeen directors representing the six chambers of the Dutch East India Company in the Dutch Republic.
<i>Holi</i>	The Hindu spring festival of colours, usually observed in the month of March.
<i>Hundi</i>	A credit note or bill of exchange.
<i>Id or Eid</i>	A Muslim festival marking the end of the month of fasting.
<i>Ijara</i>	Revenue-farming.
<i>Khicheri</i>	A mixture of rice, cooked with butter and <i>dal</i> (lentil); common food in India noted by many foreign travellers.
<i>Jaggery or jagri</i>	Coarse brown-sugar made from the juice of various palms especially <i>khajur</i> (date).
<i>Jagir</i>	Land assigned to officials with the right to collect revenue under the Mughal administrative system.
<i>Jagirdar</i>	Holder of land-revenue assignment or <i>jagir</i> .
<i>Jama</i>	Assessed or estimated revenue on land.
<i>Jamadar</i>	A chief or leader of a band or body of people, especially in the native army of India; a military rank corresponding to that of lieutenant in the English army.
<i>Jain</i>	A follower of the Jain religion.
<i>Jowar or joar</i>	One of the best and most frequently grown of the tall millets; a kind of pulse, the food of common people in western India.
<i>Keesdar</i>	A type of cloth manufactured mainly in Cambay.
<i>Khalsa</i>	Un-assigned land whose revenue was earmarked for the imperial household.
<i>Khicheri</i>	A common food in Gujarat and elsewhere prepared by cooking lentil and rice together.
<i>Kos</i>	A popular measure of distance in India, roughly equivalent to about two English miles.
<i>Last</i>	A unit of weight used mainly for rice.
<i>Latty</i>	The English custom-house at Surat; all private English traders and Asian merchants under English protection paid customs as per the Company's rates at the <i>latty</i> (q.v.).
<i>Mahajan</i>	A banker; a merchant; an organisation of merchant castes of Gujarat especially the Banias. Lit., a great person.
<i>Mahal</i>	A territorial unit equivalent to <i>pargana</i> or district used mainly in the collection of revenue.
<i>Mahmudi*</i>	Local silver coin of Gujarat.
<i>Man*</i>	A unit of weight with varying values, the Surat <i>man</i> was reckoned at 37½ pounds avoirdupois in the second half of the eighteenth century.
<i>Marfatia</i>	An agent; a representative; a term the English East India Company used for its broker in the eighteenth century.
<i>Marwari</i>	A community of merchants from Marwar in north-western India, also synonymous with Bania as many of them came originally from Marwar.
<i>Matroos</i>	A Dutch term for sailor employed on the Dutch East India Company ships.
<i>Modi</i>	A title for the person who looked after the logistics of the European

	Companies at Surat by taking care of the provisions for the personnel of the establishment, repair, and maintenance of the factory and warehouses.
<i>Moth</i>	Pulse, a type of lentil.
<i>Mubr</i>	A gold coin of the Mughal/medieval period.
<i>Mung</i>	Pulse, a type of lentil.
<i>Munshi</i>	A secretary, writer, reader or interpreter.
<i>Muqaddam</i>	A headman of a village responsible for the collection of revenue; the local head of a caste ( <i>chaudhuri</i> ); the headman of a body of peons or a gang of labourers.
<i>Mutassadi</i>	Lit., an accountant; a Mughal official in Surat in charge of the administration of the city and the port, a local governor.
<i>Nagarseth</i>	An honorific title given to a prominent Indian merchant meaning 'the (chief) city merchant'.
<i>Nagli</i>	A type of grain.
<i>Nakhuda</i>	An Indo-Islamic word used for a ship's captain or owner.
<i>Nasq</i>	A mode of revenue assessment and collection in which assessment was made on the basis of the estimated yield per unit of land and the revenue could be collected in a fixed cash equivalent.
<i>Nauroz</i>	New Year's day; the first day of the solar year; a festival celebrated by Persians and the Mughals.
<i>Paikar</i>	A commercial agent, an intermediate dealer or broker.
<i>Paisa*</i>	A copper coin of the smallest denomination in the Mughal monetary system.
<i>Pargana</i>	An administrative sub-division; a district; every <i>sarkar</i> was divided into a number of <i>parganas</i> .
<i>Parsi</i>	A member of the close-knit Zoroastrian community based primarily in India; a community of Zoroastrian merchants.
<i>Parvu or purvo</i>	A popular title of the writer caste in western India; usually used for any native who could write English and employed in any office.
<i>Patel</i>	The headman of a village, having general control of village affairs and forming the medium of communication with the officers of the government.
<i>Peshwa</i>	The highest office in the Maratha administrative system; a minister next to the king in the power hierarchy.
<i>Puchuk or putchuck</i>	A Malay word for a fragrant root; a medicinal herb; a product of the Himalayas in the vicinity of Kashmir and exported to Malay countries and China.
<i>Qazi</i>	An Islamic judge.
<i>Qiladar</i>	Commander of a castle.
<i>Rupee*</i>	The standard silver coin current in northern India since the sixteenth century; in the eighteenth century, the rupee had varying exchange values at different places.
<i>Rial</i>	Silver coin of European origin, also common in West Asia.
<i>Sahukar</i>	A moneylender/moneychanger or banker.
<i>Sappanwood</i>	The red dye-wood imported mostly from South-east Asia and used for dyeing cotton yarn and textiles.
<i>Sarang</i>	A native boatswain, or chief of sailors; the skipper of a small native vessel.
<i>Sari</i>	A long cloth manufactured in Surat and other places that was much in demand in Europe; the main part of women's dress in India.
<i>Sarkar</i>	A large administrative unit in which every <i>suba</i> was divided.
<i>Sarkarat-i kharaji</i>	<i>Sarkars</i> under the administrative and fiscal jurisdiction of the Mughals.
<i>Sarkarat-i peshkashi</i>	<i>Sarkars</i> in the administrative and fiscal jurisdiction of the <i>zamindars</i> .
<i>Sarraḥ</i>	A moneychanger/moneylender or a banker (pl., <i>sarraḥan</i> ).
<i>Seer*</i>	A unit of weight whose value in relation to a <i>man</i> varied on the scales

	of time and space; usually, the standard <i>man</i> was equivalent in weight to forty <i>seers</i> .
<i>Soldijboekhouder</i>	The accountant and keeper of the salary-book of the Dutch East India Company.
<i>Suba</i>	A large territorial unit, a province.
<i>Tael</i>	The Chinese unit of currency; a silver coin.
<i>Tajir</i>	A merchant; pl., <i>tujjar</i> .
<i>Tandil</i>	Indo-Islamic word for the chief of sailors on a ship; the head or commander of a body of men but also a native petty officer of lascars.
<i>Umdat-ut tujjar</i>	Lit., pillar of merchants; a title given to the richest merchant of Surat. The merchant family of Abdul Ghafur held this title in the late seventeenth and eighteenth centuries.
<i>Volkhouder</i>	A dealer in personnel; a supplier of sailors to the Dutch East India Company.
<i>Wakil</i>	An agent; a broker; a merchant's representative.
<i>Zabt</i>	The Mughal system of revenue assessment and collection based on the measurement of cultivable land and an estimation of average yield.
<i>Zamindar</i>	Lit., holder of land; a person who had the hereditary right to collect revenue from a village or a group of villages, often designated as a tax-collector by the Mughal state; a subordinate political official, often an independent little king; a landlord under British rule.
<i>Zamindari</i>	The territory under the fiscal and administrative jurisdictions of a <i>zamindar</i> .
<i>Zeerover</i>	The Dutch term for pirate or maritime predator.
<i>Zeeschuimer</i>	The Dutch term for pirate or maritime predator.
<i>Zielverkoper</i>	Refers to a person who recruited sailors, bore the costs of their maintenance, and, in the sailing season, supplied them to the VOC at Surat.

\* For their exchange values and weights, see the Notes on weights and currency.

## NOTES ON WEIGHTS AND CURRENCY

I have retained the units of weight and currency as found in the sources. Wherever necessary, I have converted them into a standard measure by using their relative weight and value. The most commonly used ones are the Dutch pound (*pond*), pound avoirdupois, bale, *candy*, *man* (maund), guilder, rupee, and *mahmudi* with their relative value as:

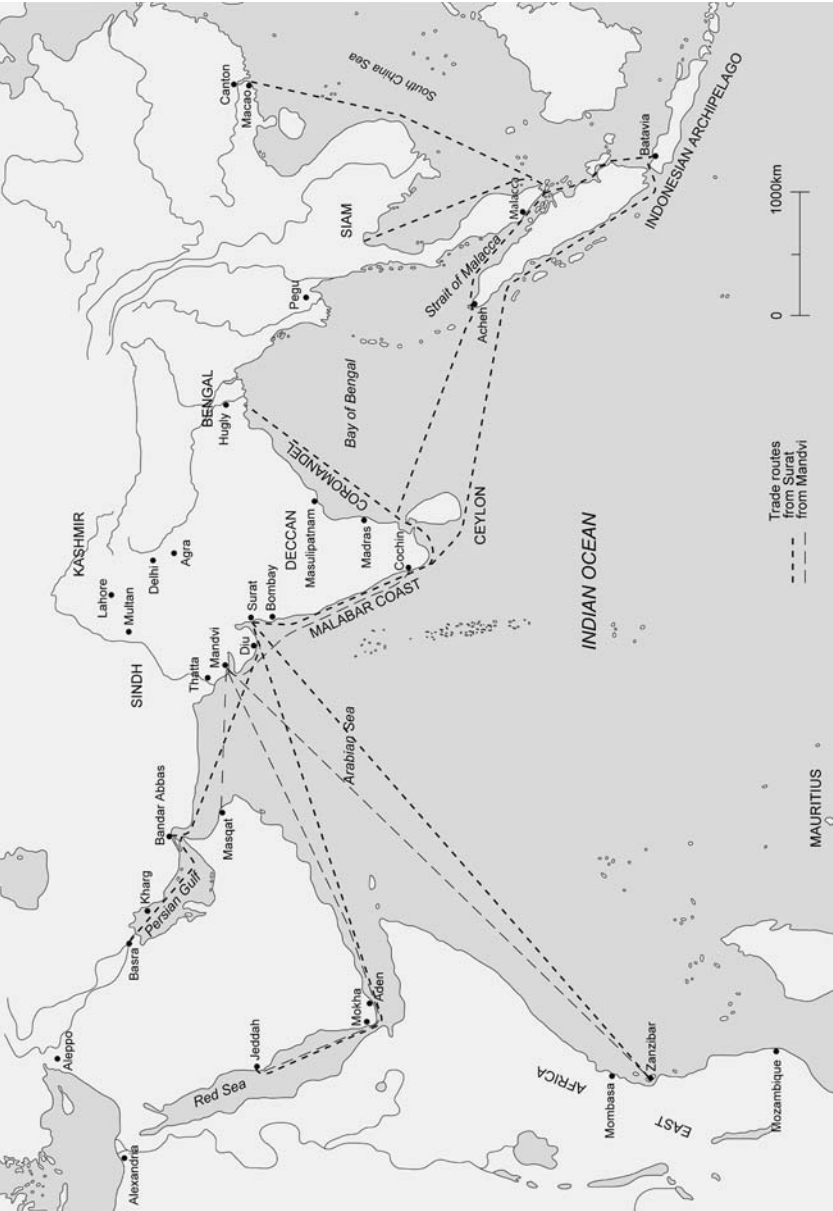
### Weights

1 Dutch pound	=	1.09 pounds avoirdupois
34½ pounds or	=	1 <i>man</i> (of Surat)
about 37½ pounds avoirdupois		
1 <i>man</i>	=	40 <i>seers</i>
1 <i>man</i> (in southern India)	=	25 pounds avoirdupois approximately
1 bale	=	half of a <i>candy</i>
1 <i>candy</i> (of Surat and Bombay)	=	690 pounds /784 pounds avoirdupois
1 <i>candy</i> (of Broach)	=	880 pounds avoirdupois
1 <i>candy</i> (of Bhavanagar)	=	840 pounds avoirdupois

### Currency

1 stiver	=	16 <i>penningen</i> or pennies
20 stivers	=	1 guilder ( <i>f</i> )
1.5 guilders	=	1 rupee (of Surat)
1 rupee	=	40 <i>dam</i> or 16 <i>annas</i>
1 <i>anna</i>	=	4 pice or <i>paisa</i>

Map 1 The Indian Ocean



Map 2 *Mughal Gujarat*  
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## INTRODUCTION

The eighteenth century was a critical phase in the historical trajectory of South Asia. Despite its particular character, this period is a part of the temporal landscape often referred to as pre-colonial or early modern.<sup>1</sup> A review of the recent literature on the political economy of this period demonstrates unequivocally the complexity of the subject. The early modern period in general, and the eighteenth century in particular, was full of dynamism and changes of great consequence for the political economy of the Indian subcontinent. Scholars' endeavours to track these changes and comprehend their nature and implications have elucidated several aspects of the complex socio-economic and political processes but have also produced diverse and even contradictory views and interpretations. This historiographical complexity is a result of the great diversity in the nature of the political economies of different regions and in their historical trajectories. My study of eighteenth-century Gujarat inevitably adds to this complexity, but it will hopefully also offer new perspectives.

A major concern of scholars in many studies on the political economy of pre-colonial South Asia has been to determine the potentialities of growth in the economy.<sup>2</sup> The assumption underlying such enquiries is that colonial intervention in the mid-eighteenth century interrupted and strangled economic growth.<sup>3</sup> In this respect the role and significance of the trade of the European East India Companies—the external factor—in the economy of the Mughal Empire and other regional polities has been critically assessed. Whereas some historians emphasise the large external demand for local manufactures and the seemingly perpetual influx of bullion as major stimuli for increased production, employment opportunities, and a rapid monetisation, others stress internal forces that determined the course of economic development.<sup>4</sup>

Another trend in the historiography of South Asia has been to view economic developments as dependent on the strengths and stabilities of governmental institutions.<sup>5</sup> Here the attention has focused on the dynamics of socio-economic processes from the perspectives of states. Large and centralised political entities are represented as having fostered economic growth, most visibly in the commercialisation of agriculture, the expansion of commodity production, and the monetisation of the economy. The stable political order in a large part of the western Indian Ocean littoral under the Mughal, Safavid, and Ottoman regimes during the sixteenth and seventeenth centuries facilitated commerce by creating

congenial conditions for the smooth flow of merchants and merchandise. A logical corollary of this line of thought is that with the collapse of these empires, their respective regions lost their economic prosperity and commercial affluence.<sup>6</sup> A revisionist critique of this imperial view also assigns a key role to the successor states in resuscitating economic development in the eighteenth century. The notions of 'military fiscalism' and 'South Asian mercantilism', characteristic of some eighteenth-century Indian states and the East India Company's rule in Bengal, continue to impute a crucial role to states.<sup>7</sup>

In this monograph I propose to invert the relative position of state and merchants postulated in the above-mentioned model: What if, in Gujarat, the state was seen to be essentially a weak entity vis-à-vis merchants? Throughout its history, the state in Gujarat was dependent on merchants and bankers. These major economic actors possessed enormous resources that in many ways limited the powers of the rulers. In the 1970s, Michael Pearson noticed the distinct nature of this relationship, but understood it in terms of the state's 'hands-off attitude'.<sup>8</sup> In the debate on the nature and extent of state control over the economy in South Asia, the general assumption is that the state holds the lever and that its interference, or non-interference, was a matter of deliberate choice. Lakshmi Subramanian, for instance, identified the distinct nature of the relationship between the EIC and textile producers of Surat, but she attributed this to the evolving power relations in western India and the financial constraints that kept the Company from controlling either merchants or weavers until 1800.<sup>9</sup>

My endeavour here is to understand this relationship from the perspectives of the local economy and its actors and the ways these circumscribed the role of the state in eighteenth-century Gujarat. While the strengths and weaknesses of merchant communities and the ways in which their interactions with the state hindered or smoothed the latter's penetration into the economic sphere are examined, the third element in the tripartite pattern of power relations—the subaltern groups, mainly producers and labourers—deserves particular attention. In terms of the changing balance of power these groups were the most vulnerable and, therefore, the extent of control that states or merchants exercised over their labour needs to be better understood. An enquiry into the relative position of merchants, rulers and producers in the political economy inevitably brings into the discussion the region's production and trade potential, the role of European Companies and private traders, and the position of Asian merchants and shipowners in the economy of Gujarat.

*Euro-Asian context*

With the establishment of the Portuguese Estado da India in the early sixteenth century, and even more so with the coming of the European East India Companies to Asia at the beginning of the seventeenth century, the Asian economies began to interact more closely and directly with what Immanuel Wallerstein has described as the 'European world-economy'.<sup>10</sup> Following the Braudelien model of a world system, Wallerstein came up with the notion of a nascent global economy in which Europe played a central role while the rest of the world comprised either the periphery or was altogether outside of the economic system.<sup>11</sup> Some historians have however contested the historiographical peripheralisation of the Indian Ocean region, because of its pivotal role in Euro-Asian commerce.<sup>12</sup> Whatever the differences in interpreting the relative position of Asia and Europe in the age of intensive commercial interaction, the latter's eventual political domination over the former in the late eighteenth and nineteenth centuries has been at the core of such discussions. The European ascendancy has been attributed to the distinct capitalistic economy that developed in that continent starting in the late Middle Ages.<sup>13</sup>

Recently, however, the scope of this debate has widened as a consequence of a comparative paradigm that is emerging in the historiography of European-Asian interaction in the early modern period. The dynamics of Asian world economies such as Qing China, Tokugawa Japan and Mughal India are brought into the orbit of discussion and these processes are compared with those of early modern Western Europe. This strand of scholarship questions the uniqueness of European economic growth and stresses that prior to 1800, the path and level of growth in some parts of Asia, notably China and India, were quite similar to those of Europe.<sup>14</sup> This approach interrogates the institutional structures and economic performance that characterised pre-1800 Europe, underlines parallels in Asia and emphasises that the 'great divergence' came only after the Industrial Revolution.<sup>15</sup> The assumption that the levels of economic growth in Europe and Asia were similar in the pre-industrial era necessitates another enquiry into why, since the late eighteenth century, they came to have different trajectories. Whereas Europe experienced a wave of rapid industrialisation and the emergence of the modern state, the Asian political economies stagnated or even declined. Using a Marxist approach, some scholars have sought and seek to explain this phenomenon from the vantage-point of colonialism and its exploitative character.<sup>16</sup>

Many nineteenth- and early-twentieth-century scholars, however, attributed the supposed economic indolence of South Asia to the 'Indian value system' and the 'social structure', which were held to have obstruct-

ed economic growth.<sup>17</sup> Max Weber explained the differential scales of economic development in Western Europe and Asia in terms of the emergence of or the lack of 'sober bourgeois capitalism with its rational organization of free labour'.<sup>18</sup> Whereas this Weberian paradigm had great influence on the study of South Asian societies, his assumption of Hinduism's essentially negative effects on economic progress has been taken to task. In his study of economic growth in South Asia, Morris D. Morris questioned this notion of the negative impact of the 'Indian value system'. He denies the inertia that Weber attributed to the Indians and instead underscored their entrepreneurial capabilities. The development of India's cotton textile industry, which became the largest in the world by 1900, he argued, was the outcome of indigenous initiatives and occurred under the auspices of autochthonous entrepreneurs.<sup>19</sup>

Some scholars also questioned the 'big bang' theory, which understood the English Industrial Revolution of the late eighteenth and early nineteenth centuries as the major breakthrough in the economy of Western Europe, and suggested instead a gradual process of economic growth since the Middle Ages.<sup>20</sup> A new dimension to this debate has been recently added by scholars who have emphasised the link between economic growth and the living standard of the people at large. Jan Luiten van Zanden argues that the growth in per capita GDP in the pre-industrial era did not eventually lead to a rise in the living standard of the greater part of the population in the most dynamic part of Western Europe.<sup>21</sup> In his view, the economic growth in Europe was different in character from that of Asia. He identifies, therefore, a 'top-down' trajectory of growth in Asia as against the 'bottom-up' trajectory in Europe.<sup>22</sup> The preconditions for the development of market exchange in Asian societies, he argues, were created by hierarchical and authoritarian political structures. By creating favourable conditions for such activities, these states anticipated growth in their wealth and potential resources. In due course, however, the Asian states failed to transform rights to property, labour, and merchandise into transparent institutions. On the contrary, Western Europe, with its civil society and unique relationship between state and economy, in which independent producers played a crucial role, was able to introduce labour-saving technology that revolutionised the manufacturing processes.<sup>23</sup>

The notion of 'Asiatic despotism' and its politico-economic implications as the causal dynamics of South Asian economic sluggishness has been contested.<sup>24</sup> British military and political ascendancy in South Asia was achieved before the impact of the English Industrial Revolution on the economy and society began to be felt. The failure of South Asian political economies to check British domination must therefore be located somewhere within the differential indigenous political and

economic structures and institutions of South Asia and Great Britain. The pre-eminence of the British is nowadays viewed as the culmination of the slow processes whereby, taking advantage of their military and institutional superiority, they established control over Indian Ocean commerce and subsequently assumed political control of the subcontinent. In his examination of the interpretation of South Asian history, David Washbrook takes up the issue of South Asia's failure to transform itself into a modern industrial society allegedly on account of its inert repositories of 'tradition' or as passive receptacles of 'modernisation'.<sup>25</sup> He questions the teleology that considers capitalism as inevitably leading to industrialisation and modernisation, and argues that modernisation is the result of specific conditions with respect to which South Asia differed quite significantly from Europe. He attributes this failure to British colonialism and the ensuing underdevelopment. In the mature phase of colonialism, during the second quarter of the nineteenth century, processes like 'peasantisation' and 'traditionalisation' greatly undermined, smothered and obstructed economic progress.<sup>26</sup>

### *South Asian context*

The nature and course of development in eighteenth-century South Asia were strikingly different from those of Western Europe. In this period, South Asia experienced major political and economic reconfigurations which, despite having some positive aspects, were deleterious to the subcontinent's economic and societal development. In comparison to the seventeenth century, the volume of production and trade is held to have declined in the early eighteenth century; the prosperity of some major urban centres dwindled and agricultural production suffered dislocation. This notion of a declining economy in the eighteenth century finds its genesis in the contemporary Persian-language narratives which understood the changing political economy from the standpoint of the state and attributed this decline to the disintegration of the Mughal Empire.<sup>27</sup> So overwhelming has this top-down analysis been that modern scholarship on the subject has been largely carried away by it. Among the most ardent supporters of this theory are scholars of Mughal India who postulate that the collapse of the Mughal central authority in the early years of the eighteenth century inevitably resulted in economic catastrophe.<sup>28</sup> Recently, some scholars have presented a more positive view of India's economy and society in the mid- and late eighteenth century by providing new evidence that actually shows economic recovery (after the early-century slump) and growth in important regions of the subcontinent.<sup>29</sup>

Another set of problems that has been debated among scholars

concerns the complex course of development in South Asia that determined the fate of not only the Indian population, especially rulers and merchants, but also of the Europeans present there. The mid-century victories of the EIC at Plassey and Baksar over the rulers of Bengal and Awadh transferred to the Company the actual political power and control over the agrarian and military resources of a large part of northern India. Elsewhere, the Company pursued a similar policy of aggressive military engagements which helped it achieve political domination over southern and western India by the end of the century. In the 1750s, therefore, there occurred a major break in the political economy of the subcontinent. From that time on, a large part of its resources began to be utilised primarily in the interest of the Company and eventually of Great Britain itself. The implications of the transition to colonialism were soon visible in Bengal and southern India, where the Company took control of textile production through coercion and forced weavers and manufacturers to sell their product exclusively to the Company at a unilaterally-determined price.<sup>30</sup>

### *Regional context*

Whereas much has been written on eighteenth-century Bengal and southern India, the course of development in Gujarat has not yet been explored in the context of the debates mentioned above. While scholars have acknowledged the somewhat distinctive character of Gujarat, no consistent efforts have been made to situate this region in the context of developments taking place in the subcontinent. Most studies on the eighteenth-century political economy of Gujarat have focussed on Surat and Cambay. It is no accident that Surat, as the epicentre of western Indian Ocean commerce, has been at the centre of scholars' attention. The city's commerce, its mercantile community, its wealth and prosperity and many other aspects have been studied in detail. Ashin Das Gupta's monograph on Surat and his numerous essays on the commercial career of the city and its mercantile communities suggest that the prosperous world of Muslim ship-owning merchants was in decline in the first half of the eighteenth century.<sup>31</sup> Lakshmi Subramanian and Michelguglielmo Torri have explored various aspects of the socio-economic order in eighteenth-century Surat.<sup>32</sup>

In short, these scholars have explored many dimensions of Asian commercial activities at Surat and have underscored the dynamics of the city's mercantile community in the so-called declining age of commerce. However, the production and trade potentialities of the region which played so prominent a role in Indian Ocean trade in early modern times

have not yet been appreciated in the context of the broader issues outlined above. The implications of the mid-century developments for the mercantile and manufacturing communities of Gujarat and the extent to which their commercial activities facilitated or inhibited the British colonial takeover of western India are examined in the following chapters. In analysing the relationships between merchants and the Company, producers and merchants and the Company and primary producers, I have used the functioning of the market—an economic institution and a fundamental feature of the political economy—as a valuable analytical tool. An enquiry into the nature and functioning of the labour, commodity and money markets renders it possible for us to determine their relative position and professional autonomy each group enjoyed vis-à-vis the others.

There is a local–regional dimension as well. The spatial landscape of this work is the present-day Indian state of Gujarat. In physical area, this state is by and large coterminous with the Mughal *suba* of Ahmadabad (or Gujarat). Although a major concentration on Surat is unavoidable on account of its greater visibility in the sources, this study also attempts to take into consideration the politico-economic developments in other parts of Gujarat such as Ahmadabad, Cambay, Broach, Bhavanagar, Baroda, Kathiawar, and Kachh. Within the region, there were many push and pull factors that seem to have contributed to the growth and intensification of economic activities in one sub-region or another. Surat's pre-eminence in the maritime trade of Gujarat and its position as the largest oceanic terminus in western India was incontestable. However, other more or less independent ports shared in Gujarat's external trade. Those of the Gulf of Kachh, for instance, maintained direct commercial links with the Persian Gulf, East Africa, and the Malabar Coast. The analysis of some aspects of production and trade in these localities enables us to understand the dynamics of Gujarat's economy and to explain the changes in it from the perspective of different locales.

### *Sources*

Besides the set of questions and hypotheses presented above, my choice of the region and the period—Gujarat in the eighteenth century—for historical analysis is largely determined by the availability of the archival sources. In addition to useful secondary literature there is much evidence to be found in the vast archives of the Dutch East India Company (*De Verenigde Oost-Indische Compagnie* or VOC) and the English East India Company (EIC) to suggest new hypotheses and support them. The European documentation on the second half of the eighteenth century is



conspicuous for its wealth of detailed information on many aspects of society and economy of South Asia. This was the result of changes that were taking place in the political economy of South Asia as well as in the nature of the European presence in the region. The European Companies' efforts to explore possible arenas in which both to trade and exercise a degree of political control resulted in the generation of documents on a scale not found in earlier periods. Gathering information and intelligence became, by the mid-eighteenth century, more than ever an official mission of the rival Companies and finally a prerequisite for the foundation of an empire in South Asia.<sup>33</sup> Consequently, in addition to the usual correspondence of a purely commercial nature, the Companies began to generate reports and surveys on production, trade, revenues, crops and manufactures, caste and social hierarchy, as well as on local polities. Information gathering, political reporting, and generating huge documentation on castes, communities, professions, trade, and merchandise were not specific to the European Companies in the age of Enlightenment; these were integral to the processes of state formation in many parts of South Asia during the eighteenth century.<sup>34</sup> All these data constitute a treasure-trove of information crucial for the study of early modern South Asian political economies.

## CHAPTER ONE

### STATE AND POLITICAL POWER

A dominant trend in the historiography of South Asia has been to consider the rounding of the Cape of Good Hope by Vasco da Gama in 1498 and the establishment of the Mughal Empire in north India in 1526 as the two developments with the most profound impact on the political and economic structures and institutions of South Asia. The establishment of the Portuguese Estado da India introduced some changes in the nature and structure of Indian Ocean commerce. One was the increasing use of violence by the Portuguese from the early sixteenth century. Initially in order to eliminate Asian merchant shipping, but later on to control Indian Ocean maritime trade, they subjected shipowners to a protection system. Ships could only sail with a licence (*cartaz*) issued by the Portuguese authorities on payment of a nominal fee and under obligation to call at a Portuguese-controlled port to pay duties.<sup>1</sup> Although licences were not totally unknown in the Indian Ocean prior to the sixteenth century, the scale and consistency with which the Portuguese implemented this system was really innovative.<sup>2</sup> Since Gujarati shipping was dominant in the maritime trade of Asia, it was most severely affected. This caused some relocation of maritime routes and trade itineraries, changes in the fortunes of Asian ports and port cities as well as of ship-owning merchant communities.<sup>3</sup>

The expansion and consolidation of the Mughal Empire under Akbar (1556–1605) in the second half of the sixteenth century led to the formation of some fundamental political and administrative institutions that helped the emperor establish his political authority and control the surplus economic resources of the empire. There evolved a complex mechanism of revenue collection and redistribution throughout the empire which helped it sustain the processes of internal consolidation and territorial expansion. The political economy of the empire was sustained through an efficient fiscal administration which made it possible to collect a part of the gross produce as revenue from different parts of the empire. The relatively long spell of peace and political stability created favourable conditions for production and trade in a large part of South Asia. An almost similar and simultaneous development took place in West Asia and the Middle East under the aegis of the Safavid and the Ottoman emperors. These three empires facilitated long-distance overland and oceanic commerce throughout the western Indian Ocean littoral

by ensuring some degree of security and safety to merchants and producers. With its strategic location, long coastline, dozens of ports, and productive indigo and textiles industries, Gujarat was already a major commercial zone in the Indian Ocean, and it came to play an even greater role in the early modern world economy. Prominent ports like Surat, Broach, Cambay, and Gogha and Mandvi in the Gulf of Kachh, served as entrepôts where merchants and merchandise from the vast landmass of interior South Asia converged with the maritime merchants of various Indian Ocean regions.<sup>4</sup>

### *Mughal rule in Gujarat and the rise of Surat*

The annexation of Gujarat to the Mughal Empire in 1573 and the almost simultaneous rise of Surat as the principal port of the empire contributed to the region's economic growth and its prominent position in the commerce of the Indian Ocean. By the early seventeenth century, Surat had emerged as the most important entrepôt in western India, a position Cambay formerly held. Ashin Das Gupta has remarked that Surat's rise to prominence was a 'gift of the Mughal Empire'.<sup>5</sup> It soon earned the appellation of *bandar-i mubarak* (the blessed port) because of its being an auspicious port of embarkation for a large number of pilgrims going every year to Mecca for the *hajj*. It emerged as the hub of commercial activities in the western Indian Ocean and a large number of merchants from different parts of the world flocked to the city seeking their fortunes. The Mughal imperial interest in shipping between Surat and the West Asian ports, especially Mokha, Jeddah, and Basra, both to fulfil the Empire's ritual obligations by facilitating pilgrims and to gain material advantages in the form of freight money, augmented the position of Surat and added to its reputation as the chief port of Mughal India. With the integration of almost the whole of north India into the Mughal system of rule, Surat's access to the vast interior extending up to the fertile *doab* (the land between the Yamuna and the Ganga Rivers) became convenient. The valuable products of the imperial heartland such as Bayana indigo and textiles from the Agra and Awadh regions began to be exported from Surat to many overseas destinations. The Mughal Empire contributed to the rapid growth of trade by developing infrastructure and by providing an institutional framework. Ever adaptable, merchants and shipowners took initiatives to benefit from the prevailing favourable circumstances. They invested their capital in lucrative commercial enterprises and built large fortunes.<sup>6</sup>

At the time of its annexation to the Mughal Empire, the Sultanate of Gujarat comprised twenty-five *sarkars* (administrative units).<sup>7</sup> In 1573,

the boundary of what came to constitute the *suba* of Ahmadabad (Gujarat) was redrawn so that it came to be composed of sixteen *sarkars*. Others that had been annexed to Gujarat by its sultans were restored to the provinces to which they earlier belonged.<sup>8</sup> The *suba* then covered an area of 302 *kos* (966.4 kilometres) in width between Burhanpur in the east and Jagat (Dwarka) in the west and 70 *kos* (224 kilometres) in length between Jalore in the north and Daman in the south.<sup>9</sup> Of the sixteen *sarkars* that constituted Gujarat, nine were brought under the direct administrative control of the Mughal Empire: Ahmadabad, Baroda, Broach, Champaner, Godhra, Nadaut, Patan, Sorath, and Surat. They were collectively known as *sarkarat-i kharaji* or territories where the Mughal fiscal system was applied for the collection of revenues. The other seven *sarkars*, namely Bansballa, Dongarpur, Kachh, Navanagar, Ramnagar, Sirohi, and Sunt, remained in the administrative and fiscal jurisdictions of local chiefs. Since the Mughal administration collected an annual tribute (*peshkash*) in lieu of regular revenues from the holders of these territories, they were called *sarkarat-i peshkashi*.<sup>10</sup> These hereditary chiefs (*zamindars*) acknowledged the nominal suzerainty of the Mughal Empire and acquiesced to the annual demand for *peshkash* and to render occasional military services with a contingent of troops loaned to the provincial governors.<sup>11</sup> For all practical purposes, these chiefs were autonomous rulers of their principalities and the provincial governors often had to exert military pressure to make them pay the *peshkash*. Within Gujarat, therefore, the extent of imperial penetration and the degree of control that Mughal officials exercised varied from one region to another.

Shortly after the conquest of Gujarat, the imperial administration was introduced in the directly administered territories (*sarkarat-i kharaji*). The new system of rule in Gujarat recognised Surat as a unit somewhat distinct from the rest of the province. The administrative jurisdiction over the city and its dependent *mahals* (or *parganas*, territorial units for revenue collection purposes) was delegated to a *mutasaddi* (governor) and a *qiladar* (commander of the castle), both appointed by the Mughal Emperor.<sup>12</sup> The former was responsible for the collection of revenue and general administration while the latter exercised control over the military affairs and was responsible for the defence of the city. Each was a check on the authority of the other. The provincial governors with their administrative headquarters at Ahmadabad had no formal superior authority over the *Qiladar* of Surat. A large part of the *kharaji* territories was brought under the *zabt* system whereby the land revenue was assessed by measuring the cultivable land. The state's share was determined according to the average annual yield per unit of land, which was then commuted to cash on the basis of the average price and the revenue was finally

collected from peasants. In some regions such as Sorath and Godhra and some *mahals* of other *sarkars*, however, different forms of revenue assessment and collection were applied such as *nasq*, *bhag-batai* or *ghalla-bakhshi* (each denoting a form of crop-sharing).<sup>13</sup>

The extension of Mughal rule to Gujarat also implied the extension of its standard tri-metallic monetary system to the province. The Mughal silver rupee and the local silver coin *mahmudi* became the main units of payments and commercial transactions. While gold coins known as *muhr* or *ashrafi* were used on specific occasions or as presents, copper *dam* and later *paisa* served as a medium of payment in small transactions. The expropriation of surplus agricultural produce and the Mughal culture of consumption especially of luxury goods favoured conditions for widespread exchange in Gujarat. Consequently, a large part of the revenue was reinvested within the region. The imperial policy of collecting revenue in cash entailed the growth of an exchange circuit encompassing remote villages, local townships (*qasba*) and urban centres.<sup>14</sup> The Safavid and the Ottoman Empires encouraged similar processes that created favourable conditions for economic development in West Asia. The traditional caravan route and the sea-and-land routes to the Mediterranean and further on to Europe received a major boost once these empires succeeded in restoring peace and security along the trade routes that connected these regions. The internal peace and the external demand for indigo, silk, and textiles stimulated agricultural production and specialisation which resulted in a flourishing commercial culture all along the western Indian Ocean littoral.<sup>15</sup>

The coming of the English East India Company (EIC) and the Dutch East India Company (VOC) to Gujarat in the beginning of the seventeenth century and the waning Portuguese influence in the Arabian Sea after the fall of Hormuz in 1622, contributed immensely to the commercial prominence of Gujarat in the Euro-Asian world economy. Surat became the headquarters of the European Companies in western India from where they conducted trade with the interior through subordinate factories. Until the early eighteenth century, these factories located in major centres of production and trade such as Agra, Ahmadabad, Cambay and Broach played a crucial role in the procurement of indigo and textiles. Demand increased as a large volume of these commodities began to reach Europe through the all-water route via the Cape of Good Hope. With varying intensity, the supply of these goods to the Levant and further on to Europe via the Mediterranean continued via both caravan and sea-and-caravan routes.<sup>16</sup> Unlike in many places in South-east Asia, the European Companies had no monopolistic or monopsonistic rights in the sale and purchase of merchandise in South Asia. Neither was there any attempt on the part of the Mughal rulers to control trade and

production in such a way that it would enable them to have exclusive rights over the sale and purchase of merchandise. The only exception is Emperor Shahjahan's half-hearted attempt to monopolise the sale of indigo. In 1631, he farmed out its sale to an entrepreneur named Manohar Das.<sup>17</sup> However this monopoly was soon withdrawn.<sup>18</sup> The powerful cluster of intermediaries and money merchants as well as the sophisticated credit and exchange network so typical of the Indian trading economy prevented the rulers and the European Companies from establishing any kind of exclusive control over the supply of any merchandise.

*From the Mughals to the Marathas*

With the collapse of the Mughals' central authority in the early eighteenth century, Gujarat also lost its political stability. The provincial governors began to exercise power rather independently and often undermined imperial expectations. Non-compliance with imperial orders contributed to political chaos and confusion. To continue in power, the governors resorted to forging alliances, political manipulations and military force. Beginning in the 1720s, each succeeding Governor of Ahmadabad ousted his predecessor by use of military force.<sup>19</sup> None, apparently, could muster the means or had the ability to consolidate his authority and carve out an autonomous state.<sup>20</sup> The unstable political condition in Gujarat encouraged the Marathas to participate in political contests. As a reward for their support, the Marathas got a share in the land revenue (*chauth*, literally one-fourth).<sup>21</sup> The governors tried to compensate themselves for the loss of revenue surrendered to the Marathas by extracting money from affluent merchants. Mercantile property in Ahmadabad became highly insecure in the second quarter of the century. Merchants, bankers and brokers were subjected to official confiscation on a large scale. In the 1720s and 1730s, Governors Hamid Khan, Sarbuland Khan, and Maharaja Abhay Singh extorted a large amount of money from merchants of Ahmadabad.<sup>22</sup>

Like the Mughals in the eighteenth century, the Marathas were politically fragmented and some warrior families such as those of Dabhade, Gaekwar, Sindhia, Holkar and Bhonsle, and Pawar were only nominally under the control of the Maratha king and his minister the *Peshwa*. These warrior groups came to form complex political factions each of which was fluid in character insofar as allegiance to and support of some major political players were concerned. Although the Maratha king and the *Peshwa* exerted paramount political power over all warrior groups, some subordinate houses aspired to become autonomous. Gujarat experienced increasingly frequent incursions from the south by the Dabhades to-

gether with Damaji Gaekwar and Kanthaji and Udaji Pawar.<sup>23</sup> Once these groups acquired territorial possessions, they were recognised by the Maratha king and the *Peshwa* as practically independent and were considered free to govern their possessions provided that they paid half of the revenue to the Maratha headquarters at Poona.<sup>24</sup> From the second quarter of the eighteenth century, the Gaekwars ruled over Gujarat and controlled the fiscal resources of the region. The Marathas adopted the strategy of invading, roving and taking possession of the countryside or at least forcing the local governors to surrender a part of the revenue of those regions. Consequently, the Mughals in Gujarat lost both substantial revenue resources and imperial political control and by 1750 it had become a shadow of its former self, exercising only ritual sovereignty over the region.<sup>25</sup>

In 1753, the Gaekwars took control of Ahmadabad and thus put an end to the hundred and eighty years of Mughal rule in Gujarat. Gradually, they established their sway over a large part of the province with the exception of Surat and some localities in the possession of *zamin-dars*. However, they with the king and the *Peshwa* were the co-sharers in the fiscal resources of the region. The resulting political and fiscal management was a form of dyarchy whereby half of the revenue was collected by the Gaekwars and the other half by the *Peshwa*. In their management of revenue collection, the Marathas increasingly had recourse to the system of *ijara* (revenue farming). Formerly, the Mughal State had considered *ijara* as exploitative because of its impromptu character and the implied lack of concern on the part of farm holders for making extended improvements to agricultural production.<sup>26</sup> This was not, however, inherent in the system and it did not ruin the peasantry in all circumstances. The share of the state in the total produce to be collected from peasants was fixed and stipulated in the contracts. Usually, farm holders were cognisant of this but under extraordinary circumstances, as in the case of political or military expediency and greater fiscal liabilities, they made the peasantry bear the brunt. This was not, however, specific to the *ijara* system, the Mughal *jagirdars* (holders of revenue assignment or *jagir* granted by the emperors) and the officials of the *khalsa* (unassigned land whose revenue was earmarked for the imperial household) turned out to be exploitative under similar circumstances.<sup>27</sup> There was, nevertheless, a stable set of regulations articulated by the state and market forces that restricted the scope and scale of exploitation. Revenue farming was the dominant form of revenue collection in the Ottoman Empire, yet this did not cause any agrarian crisis or commercial decline.<sup>28</sup> It is no wonder, therefore, that the eighteenth-century Maratha State despite its heavy reliance on the institution of revenue farming could ensure growth in agricultural production as some studies have indicated.<sup>29</sup>

In the case of the Marathas, some scholars have argued that this practice was not a deliberate choice but a logical response to an acute shortage of cash.<sup>30</sup> They have underscored revenue farming as a mechanism for agricultural development through private entrepreneurs. According to André Wink, this was 'one of the organisational means of agrarian restoration and expansion'.<sup>31</sup> Possibly because of their unstable political culture, the Marathas did not invest in building an elaborate fiscal-administrative apparatus like that of the Mughals. Instead, they had recourse to revenue farming as a means of ensuring a somewhat stable and timely income to the state. Factors such as a large investment of capital by local merchants and the EIC in the process of revenue farming and a growing demand for local produce, especially cotton and indigo, seem to have contributed to an expansion in agricultural production. The practice of revenue farming entailed an increasing involvement of money merchants in the management of the state's fiscal resources. In order to pay to the state the amount stipulated in the contract, revenue farmers usually borrowed money from merchants and even held the farm jointly with them.<sup>32</sup> Under these circumstances, the state's eventual dependence on merchants and the money market for the collection of revenue was inevitable.

The Marathas underwent a metamorphosis similar to that of the Mughals. The Durrani invasion and the ensuing Maratha debacle at Panipat in 1761 had an adverse impact on the political economy of western India. It caused a centripetal tendency among various houses subordinate to the Maratha king and the *Peshwa*.<sup>33</sup> The pretensions of Raghunath Rao for the office of *Peshwa* against his nephew Madhav Rao and later against the latter's son, Narayan Rao, were supported by the English and Damaji Gaekwar. The internecine warfare between different factions, in which the Nizam of Hyderabad and the EIC played a major role, also adversely affected Gujarat. Damaji's participation in the factional conflicts and his anti-Poona—or pro-Raghunath Rao—stance caused a huge material loss and greatly damaged his power and position. In 1768, his death triggered a succession dispute among his sons which further aggravated an already volatile political situation in Gujarat. The succession crisis and the heightened factionalism of the Maratha warrior groups paved the way for the English to sneak into the corridors of power.

### *The English political ascendancy in Gujarat*

A set of circumstances which had their genesis in a series of developments both locally and globally helped the English and the French execute their political ambitions in South Asia. Since at least the mid-seventeenth



century, the English in particular had been interested in acquiring territorial power and land revenue resources of the region.<sup>34</sup> The ripples of the Franco–British Seven Years' War (1756–63) in Europe and the Americas also reached the shores of the subcontinent, where a fierce contest for survival and domination began between the two countries. The local power groups soon recognised the military value of the EIC and the French East India Company and began to win over either of these Companies in order to ensure their active military support. Initially as arbiters in the cases of political disputes but later as participants, the European Companies got involved in a major contest for political power in the subcontinent. This process culminated in the English victory at Plassey in a direct contest with the ruler of Bengal, Siraj-ud Daula, in 1757. In 1764, the English scored another major victory against the ruler of Awadh, Shuja-ud Daula. A year later, the EIC got the right to collect the revenue (*diwani*) of Bengal, Bihar and Orissa. These developments had long-term implications. The EIC's control over the fiscal resources of the region ensured an annual flow of large fortunes into its coffers which enabled the Company to finance other major military engagements in south-east and western India.

The English political ascendancy in Gujarat began from Surat where the Company wrested some political authority in 1759. The so-called Castle Revolution was the outcome of the factional fight among the rival Mughal contestants for the control over the administrative and fiscal resources of Surat.<sup>35</sup> As the Mughals' central authority declined, the local governors of Surat began aspiring to establish an autonomous government in the city. Surat had emerged as a practically autonomous state during the long governorship of Tegh Beg Khan (1733–46).<sup>36</sup> After his death in 1746, there was a fierce contest among various aspirants for political power characterised by a hectic scramble to form alliances and mobilise support from various quarters.<sup>37</sup> The Marathas and the English were the two major forces from which all factions attempted to secure support. In the early 1750s, the English confined their role to mediating between rivals and negotiating peace among them. As the crisis escalated, the Company began to intervene and with the support of some local Bania merchants and bankers, staked its claim on the Mughal castle of Surat. In 1759, the Company assumed formal control over the castle. The chief of the English factory at Surat became the commander of the castle (*qiladar*). For the first time the EIC assumed formal political authority in South Asia—six years before they acquired the right to the fiscal management of Bengal.

Scholars have debated the implications of this change for the political economy of Surat and Gujarat as a whole. To Lakshmi Subramanian, the English takeover of the castle in 1759 marked the establishment of their

political hegemony over Surat and pushed the Nawab (governor) and his administration into a position of perpetual subordination to the authority of the English *Qiladar*.<sup>38</sup> She underscores a major change in the nature of the relationship between the Company and the local commercial elites. Since the Hindu bankers played a crucial role in the takeover of the castle, she advances the notion of an 'Anglo-Bania order' that remained functional at Surat for the rest of the century. Contesting this notion, Michelguglielmo Torri has emphasised the lack of effective bureaucratic control on the part of the English who enjoyed only 'ill-defined supervisory powers'.<sup>39</sup> He also questions the notion of the 'Anglo-Bania order' by arguing that the Banias were neither well-organised as a group conscious of its class interest nor unanimous in their support of the English.<sup>40</sup> The Dutch expression '*zij moeten dansen zooals die Engelsen spelen*' (they—the Mughals in Surat—must dance to the English tune) used to describe Anglo-Mughal relations in the period of dyarchy seems to support Subramanian's view.<sup>41</sup> Such expressions, however, do not represent an objective assessment of the actual power relations. They are rather arbitrary opinions expressed whenever the local administration undercut the VOC's expectations of favour and support in disputes with the English.

The possession of the castle entitled the English to a share in the fiscal resources of Surat. Thus, apart from the resources originally allocated to the office of the *Qiladar* since the founding of Mughal rule in Gujarat, the English got one-third of the revenue collected from the Mughal custom-house (*furza*). The Company had its own custom-house (*latty*) where English private traders and all other merchants trading under English protection paid import and export duties. These yielded revenues to the Company which, coupled with certain other privileges, gave it a definite advantage over other European Companies. As the *Qiladar* of Surat, the Company's authority was invoked by the local inhabitants in all civil and commercial cases. The Company was approached by the people for arbitration in cases of disputes of all types including religious disputes.<sup>42</sup> Unlike in Bengal, where in 1765 the EIC had obtained the right to collect land revenue, the Company's powers in Surat remained limited. The local governor continued to exercise control over the economic resources of the *mahals* under Surat. The Company acquired effective administrative control of the city and its dependencies in 1800.

The other parts of Gujarat remained in the possession of the Gaekwars or under the control of local chiefs. The confused state of affairs on the political terrain coincided with the English preparations to acquire political possession of western India. When Raghunath Rao was desperately looking for an ally to help him assume the office of *Peshwa*, he found one in the EIC. In the last three decades of the century, Gujarat was a major arena of warfare. The English scored their first major victory in Gujarat

in 1772 when the Company's military forces overthrew the Nawab of Broach and took possession of the city.<sup>43</sup> This did not, however, culminate in an effective takeover of the city by the Company. Even though faction ridden, the Marathas were strong enough to resist English attempts to dominate the region. The first two Anglo-Maratha encounters were highly disappointing for the English. Despite their superior artillery-infantry combination, the English failed to overcome the problems of the terrain and supply or the guerrilla tactics of the Maratha army.<sup>44</sup> The Treaty of Purandhar (1776) which concluded the first Anglo-Maratha War, however, brought some rewards to the English, including possession of Salset and Bassein and the revenue of Broach.<sup>45</sup>

The second English attempt to help Raghunath Rao take possession of Pune ended abruptly in February 1779 when the combined armies under Shinde, Holkar, and Nana Phadnavis forced the English to retreat and negotiate a treaty giving up a major part of their gains since 1773.<sup>46</sup> After large military reinforcements from Bengal had enhanced the English force at Surat, the Company forced Fateh Singh Gaekwar to surrender the revenue of southern Gujarat which was formerly paid to the *Peshwa*.<sup>47</sup> The Treaty of Salbai (1782), which concluded the war between the English and the combined armies of the Nizam of Hyderabad, Haidar Ali of Mysore, the Bhonsle of Nagpur, and the *Peshwa*, resulted in a British-Maratha alliance and the commitment to a joint conquest of Mysore. The British strategy of using the Marathas as their ally against Haidar Ali and later his son Tipu of the Kingdom of Mysore, restrained the Company from dethroning the Gaekwars or the head of any other relatively independent Maratha state. In the 1790s, some polities, like the Nizam of Hyderabad and the Kingdom of Mysore virtually collapsed and by the end of the century the British and the Marathas were the only two independent powers. With the appointment of Lord Wellesley as Governor-General at Calcutta in 1797 and his policy of outward annexation through subsidiary alliances, the British were once again encouraged to obtain political control of the region. In 1800, the death of Nana Phadnavis, who had controlled the *Peshwa* and Maratha diplomacy since the 1770s, again led to conflict among various Maratha factions leading to the defeat and subsequent flight of the *Peshwa* to the English. The Treaty of Bassein, concluded between the *Peshwa* and the English in 1803, marked the Maratha entry into the subsidiary alliance system with the English. Hectic warfare followed in which the English military forces defeated many Maratha factions and took virtual control of the region including Gujarat. The final dissolution of Maratha rule came with the Satara Proclamation of 1818.

The shared nature of political power at Surat and the division of fiscal resources among the English chief, the Nawab of Surat and the Marathas

inhibited the Company's ability to outmanoeuvre its commercial rivals, in particular the VOC and Asian ship-owning merchants. The Company's recourse to economic means for ensuring commercial gains, despite its military and naval power, can be interpreted as an attempt to benefit from commerce instead of militarily dominating the economy, which could have had ruinous consequences. Even in their attempt to monopolise Surat's freight trade with the Red Sea and the Persian Gulf, the English were not successful on account of the merchants' resistance to this monopoly. As we shall see in Chapter Three, the merchants, particularly those trading with West Asia, resisted the high import duty that was a hallmark of the new customs regulations the Company introduced in the 1790s. In the management of the fiscal resources that it acquired in Gujarat, the Company had recourse to farming. The Company's share of 50 per cent of the customs of Bhavanagar was farmed out to merchants every year.<sup>48</sup> It was only in the later years of the eighteenth century that the Company began collecting the land revenue directly from peasants by placing its own collection agents in the acquired territories in Gujarat.

### *Local hereditary chiefs*

For most of the local hereditary chiefs of Gujarat, the political reconfigurations in the eighteenth century meant no major change. They maintained their relative autonomy by paying tribute to the paramount power be it Mughal, Maratha or English. The Mughal Governors and later the Maratha military leaders such as the Gaekwars had to exert military pressure in order to realise tribute from the chiefs.<sup>49</sup> The paramount powers had to be content with *peshkash* and a nominal acknowledgement of overall suzerainty by the local chiefs. The Mughal Emperor Aurangzeb, however, tried to eliminate some of these chieftaincies and extend his actual political control over them. His conquest of Navanagar (1663) and Ramnagar and the extension of imperial rule there proved to be short-lived, and soon thereafter they were restored to their respective *zamin-dars*.<sup>50</sup> Like their Mughal predecessors, the Marathas did not exercise political control over the territories under the hereditary chiefs. They simply extracted tribute from the latter. The English, too, were sensitive to the chiefs' hereditary claims and therefore proceeded rather cautiously in conquering the autonomous chieftaincies. Some of the large *zamin-daris* remained intact with certain political rights and prerogatives throughout the colonial period.

The contest for political power was not only limited to armed battles in the interior, it was also pursued on the high seas. In the eighteenth century, some Maratha warriors such as Kanhoji Angria in the Konkan and

Shankarji Pandit at Bassein built their navies and used them to exercise their authority at sea. These navies and their seamen captured ships that sailed without obtaining a pass from them. They captured ships sailing with European passes, and even Company ships, much to the annoyance of the Companies.<sup>51</sup> The Europeans took this as a challenge to their maritime superiority and tried every means to incapacitate these fleets, which the Companies' records characterise as those of corsairs, pirates, *zeerovers*, or *zeeschuimers*.

On the Kathiawar peninsula, there were several groups of so-called pirates such as the Sultanpuris, the Sanganias, the Kolis of Jafarabad and Rajapur who were engaged in capturing vessels. In the 1750s, the Sultanpuri fleet, for instance, consisted of about thirty vessels and was strong enough to intercept ships and make sailing unsafe in the Gulf of Cambay. In 1755, two large private *haoris*, hired by the Dutch, were intercepted en route to Mandvi in the Gulf of Kachh, one by the Sultanpuris and the other by the Sanganias.<sup>52</sup> Each of these groups had the patronage of the local chiefs who also shared the spoils. From an English report written in 1799, it is evident that these groups owed allegiance to the Nawab of Junagarh or to some other local chiefs.<sup>53</sup> They were so powerful that, as was observed in 1757, the sea route between Surat and the Indus was so insecure that no ship could sail without passes issued by the most powerful of them.<sup>54</sup> Another group that challenged the Europeans were the Bellimoras (located on the western shores of the Gulf of Cambay close to Gogha) who emerged in the middle of the eighteenth century under Appaji Pandit, a subordinate of Damaji Gaekwar of Baroda. Appaji had a fleet of small vessels and, as we know from Dutch sources, had obtained from Damaji the right to capture ships.<sup>55</sup> The Dutch vessels that sailed to Broach, Jambusar, or Bhavanagar were at first not molested by them but gradually Appaji's fleet became stronger and, like the Angrias or the Bassein navy, began to attack large ships as well.<sup>56</sup>

Apart from being a source of booty, predation committed by the Angrias and the Bassein navy seems to have been an expression of their political power and an attempt to have it acknowledged by other seafarers in the region. They attempted to tax maritime trade by forcing all shipowners passing through what they claimed to be a zone of their influence to buy licences (*dastak*) from them. The ships that ignored this claim were taken as prizes while the men on board were held for ransom. Such claims were in no way different from the European Companies' claim to superior rights over the Indian Ocean. As the Portuguese, the English or the Dutch imposed their licence system on Asian shipping, in the same way the Maratha navy also imposed *dastak* on all ships including European ones. If the latter did not abide by this system, the Angria and Bassein navies claimed the right to capture their ships. This was not

simply an act of piracy. Rather, it was a variety of entrepreneurship which required a great deal of training, networking, mobilisation of seamen and above all political manoeuvring. The men in action represented a miniature kingdom trying to extend its control over the sea and its resources, most notably trade. For the coastal political states, maritime predation was a means of exerting political power and influence as well as of obtaining resources.<sup>57</sup> The reliance on naval activities as a way of exercising political authority in the Gulf of Cambay during the early and mid-eighteenth century was possible thanks to the instability of the political regimes ashore. Although they showed their allegiance with one or the other major power, the groups involved in predation were not under the complete control of the Marathas or of any other powerful chief.

Thus, the presence of these chieftaincies and the degree of autonomy they exercised in the pursuit of their political and economic objectives was a distinct feature of Gujarat's political economy. In many ways, they were able to contain the exercise of political authority by the major political powers such as the Mughal Governors, the Maratha military leaders or even the EIC. In the eighteenth century, none of the states made sustained attempts to prevail upon the chiefs under whose aegis maritime predation was perpetrated. In dealing with the so-called pirates the states usually resorted to persuasive means and negotiated with them through written representations.<sup>58</sup>

### *Conclusion*

What was the implication of political change in the eighteenth century for the commercial economy of Gujarat? The takeover of the region by the Marathas and their practice of farming out the land revenue to entrepreneurs opened up new opportunities for merchants to invest a part of their capital in such activities.<sup>59</sup> The English acquisition of political power and fiscal resources in Surat and elsewhere in Gujarat did not alter fundamentally the structure of power relations. In the fullest expression of its commercial agenda of dominating the economy by exercising control over its production and exchange processes, the EIC was incapacitated by the presence of the Marathas and other power holders. The adverse consequences of the unprecedented political ascendancy of a merchant corporation—the EIC—were not visible in the political economy of Gujarat to the same degree as they were in Bengal or in south-eastern India in the late eighteenth century. This was mainly because of the Company's dependence on merchants and their capital in sustaining this ascendancy, which also rendered the nature of its presence in Gujarat somewhat distinct from the rest of the subcontinent.

The anatomy of eighteenth-century politics in Gujarat examined above supports the notion of a state that was constantly negotiating with local power groups including merchants. The swiftness of regime change and the co-sharing of economic resources among different political entities were distinct traits of the political economy. Even the powerful Mughals could not rule the province the way they did in Bengal or other regions. During their heyday, the Mughal Governors of Gujarat were forced to negotiate with merchants and bankers who rendered the financial services so crucial for their survival.<sup>60</sup> Their successors, too, were severely constrained in their exercise of actual political control. Why sovereignty was more often shared among various local and supra-local power groups in Gujarat than anywhere else or, in other words, what prevented the Mughal State and its successors in Gujarat from dominating the political and economic processes needs to be elucidated. Attributing this to geo-political conditions like the difficult terrain and the presence of some powerful local hereditary chiefs ruling over their principalities who, if dethroned, rendered the region simply ungovernable for any outsider, does not explain the unique features of the region's political economy. It was the distinct nature of Gujarat's economy which constrained the states from the unrestrained use of force and convinced them of the usefulness of extracting resources through negotiations and sharing of privileges with those possessed of power and resources.

Certain characteristics of the political economy of Gujarat such as the multiple centres of power, the unique political system representing a 'shared sovereignty', as well as the culture of resistance to political authoritarianism, lend support to my hypothesis of a non-dominant state in Gujarat. The above analysis of the nature of political developments in Gujarat and the extent of actual political control that states exercised in the eighteenth century testifies to the fact that states and rulers were limited in their ability to play any dominant role in the economy. Merchants, on the contrary, seem to have exercised greater power and control since they possessed capital and dominated the money market. But before analysing the merchants' position, let us first examine the role and position of producers and artisans in the political economy and find out whether or not their labour was subordinated to merchant capital or state control.



## CHAPTER TWO

### MARKET ECONOMY, LABOUR, AND WAGES

A logical sequel of the notion of a non-dominant state in Gujarat would be to suggest a hypothesis that there was a strong market economy that governed the socio-economic relationships. The degree of professional autonomy and freedom enjoyed by producers and merchants may be imputed to this distinctive feature of the region's political economy. In writing the economic history of early modern South Asia, scholars have focussed on the state and, to a lesser extent, on merchants. The subaltern groups comprising a great number of people involved in a variety of production processes have been only marginally analysed. Our understanding of the aspects of labour, income and the living standards of producers and labourers remain rather murky despite the fact that they played a crucial role in the economy. By virtue of their ability to produce a variety of textiles, indigo and other types of merchandise, and because of the strong demand for these commodities, producers and manufacturers were in an advantageous position. Much of their advantage derived from their freedom and their aptitude in marketing their produce to competing buyers. This autonomy, however, was sometimes under assault, rather more in the eighteenth century when the state's coercive powers and merchant capital, in some regions of South Asia, circumscribed this freedom and deprived them of their commercial benefits.<sup>1</sup> In Gujarat, the structure of market relations remained rather stable and this did not allow either the state or merchants to subject this relationship to non-economic forces. To appreciate this dynamic of the market economy I have analysed the position of textile workers in Gujarat and the role of some other categories of labour.

Scholars have defined market in different ways in all of which exchange of some kind occupies a central place. Market has been defined as a variety of economic behaviour, a locus of space where the physical processes of exchange take place, and a sociological phenomenon in which social groups perform differentiated functions.<sup>2</sup> Relationships between rulers and merchants, merchants and brokers, and between these groups and producers are considered as sociological phenomena. The following analysis is not confined to economic issues such as the income and wages of producers and labourers, but involves the aspects of social stratification and power relations as well as their politico-economic implications. For the purposes of analysis, the market may be further differentiated as the



commodity market, where most consumer goods are exchanged, the labour market and the money and credit markets. My focus here is on the commodity and labour markets in Surat in the second half of the eighteenth century.<sup>3</sup>

The commodity market involves the interactions between producers and merchants, merchants and consumers and the various intermediaries between them as well as between merchants and the European Companies or other large-scale buyers. The prices at which commodities were exchanged and which also fashioned the relationship between buyers and sellers, were determined by the forces of demand and supply. These in turn were shaped by a variety of factors notably the culture of consumption, levels of employment and income generated in the economy and the latter's capability to create conditions for the large-scale production and distribution of commodities. The commodities exported from or imported into Gujarat were mostly manufactured from agricultural crops. The agricultural operations were seasonal and exposed to the vagaries of nature and to man-made calamities, which meant that yields were highly variable. Depending on the abundance or scantiness of the harvest, supplies and eventually prices rose and fell, sometimes so sharply that it disturbed the social equilibrium. Since Gujarat was a major consumer of a variety of imported goods, the nature of interaction between merchants and consumers of which the social groups under discussion comprised the largest segment, was dynamic. A peep into the organisation of textile production in Gujarat, especially the social composition of artisans and the dynamics of the relationship among their constituent communities as well as between them and merchants and the state, opens up the window through which we can study the functioning of the market economy. There were other arenas as well in which different categories of labourers worked under varying market conditions. The urban workers, the maritime proletariat and the men employed in the service sector—all of whom received money wages or monthly salaries—played a significant role in the region's economic performance. I have examined here the aspects of the labour market in order to be able to determine whether or not these groups contributed to the suggested stable market economy of Gujarat.

### *Surat's textile industry*

Unlike in Bengal and Coromandel, where the weaving industry was spread over vast rural areas, in Gujarat weavers manufacturing textiles for the export markets were either urban-based or located close to major cities.<sup>4</sup> There was a concentration of weavers in some major urban centres

like Surat, Broach, Ahmadabad, Baroda, and Bhuj in Kachh. There were other major textile producing centres such as Navsari, Bardoli and Gandevi which were located close to Surat. Other centres like Ankleshwar, Dabhoi, Nadiad, and Dholka were all urban and located fairly close to the main caravan routes to Delhi and Agra.<sup>5</sup> The textile manufacturers constituted an important segment of the urban population of these cities. Their numerical strength, socio-cultural dynamics, and their relative position in the hierarchy of power are among the subjects that need to be examined in order to evaluate their role in the political economy. Of all regions that produced textiles on a large scale, Surat is the one that is fairly well documented and plenty of crucial information is available in our sources. The data presented here pertain almost entirely to this city, which had emerged by the middle of the eighteenth century as the most prominent textile production centre on the western coast of India.

Textile manufacture comprised of several stages from the field to the loom. Large numbers of people were involved in the various stages of production from harvesting, cleaning, and spinning, to weaving, dying, bleaching and printing. Raw cotton was cleaned mainly by poor people who bought a small quantity and, after cleaning it, sold it to those who spun yarn; or they simply rendered their services to others who supplied them with raw cotton.<sup>6</sup> There were several methods of separating cotton from the seed, most of them labour intensive, but the *charkha* (wheel) was a common device used in different parts of the subcontinent.<sup>7</sup> The expanding production of cotton and its export to Bengal, China and later to Madras and England meant that a much larger quantity had to be cleaned in the late eighteenth century than ever before.

Spinning was an independent activity and the second occupation in a weaver's family.<sup>8</sup> It was a low-investment enterprise and, in a subsistence-oriented system, some peasant households bought cotton and spun yarn, which they sold to dealers; the profit depended on the fineness of the yarn.<sup>9</sup> Surat's textile industry gave employment to a wide range of people across caste, community and gender, but while yarn was spun mainly by women, weaving was done almost exclusively by the male head of the household. The demand for yarn must have been fairly high as a large quantity of it was required for the looms as well as for export by the Dutch East India Company (VOC) and other merchants. A growing external and local demand for yarn kept a substantial labour force occupied through much of the late eighteenth century.

Before weavers could sit to work at the loom, a number of labourers were employed for the preparation of yarn which consisted of warping, sizing and readying the bobbins for the shuttle. These tasks were usually performed by household members and when more people were needed hired labour was used.<sup>10</sup> Generally speaking, weaving was a caste-based

profession. A group of castes of both Muslim and Hindu communities and also some Parsis specialised in manufacturing a variety of textiles. In a report on the textile manufacturing sector of Surat prepared in 1795, various castes and social groups such as the Momin, Tahi, Bohra, Bungar, Bandara, Khatri, Kunbi (both Hindus and Muslims), as well as Parsis, are mentioned as working with looms.<sup>11</sup> Some of them specialised in manufacturing certain types of textiles and at times exerted exclusive customary rights. The Khattris, for example, were best employed in manufacturing silk and cotton-silk mixed piece-goods, specially *daryai* and *saris*.<sup>12</sup> It was much to their annoyance that, in the 1740s, some weavers of the Kunbi caste secured permission from the Governor of Surat to manufacture *saris*. In Surat, there were 3,000 to 4,000 houses of Khatri weavers and the total number of looms operated by them was 3,663.<sup>13</sup> Those worked by the Kunbis amounted to 2,683 looms. The Parsis had a large share of the total capacity and worked with 4,105 looms, whereas the other castes taken together had 5,326 looms. From the 1795 report, it appears that 5,451 looms—about a third of the total 15,777 looms in Surat—were employed in producing piece-goods and that the Khattris were the main providers of textiles to the English East India Company (EIC).<sup>14</sup> The Bungar, Momin, and Tahi castes also manufactured piece-goods for the English and other Companies and merchants. The remaining two-thirds of the looms produced a variety of textiles for the South-west and South-east Asian markets as well as for local consumption.<sup>15</sup>

We do not know exactly how many people were required to handle a loom. In his study of the Bengal textile industry, Om Prakash has suggested that on average there were 1.5 to 2 weavers for every loom.<sup>16</sup> Assuming 2 weavers per loom, the total number of people employed at this stage of production in Surat must have exceeded 31,500. The production of yarn was quite slow and ordinarily six or seven spinners were needed to produce yarn sufficient to keep a weaver engaged. Contemporary estimates of the average spinning jobs per loom vary between 2.5 and 9.5. At an average ratio of six full-time spinning jobs per loom, the total number of people employed in spinning yarn was about 94,000. Since many people took to spinning as only a part-time job to supplement their income from elsewhere, spinning contributed to the livelihood of a large number of households.

There are no contemporary estimates of the size of the textile industry or the number of looms and the households required to operate them in other parts of Gujarat. Cities like Ahmadabad, Broach, Bhavanagar, Bhuj, Cambay, and some townships like Navsari and Jambusar were great centres of textile manufacture that must have employed a large number of weavers, spinners, dyers and others. Broach, and to a large extent Cambay as well, continued to produce textiles on a substantial scale to cater to the

growing demand from European, Asian and African markets. In the early 1750s, there were 4,000 looms in Kachh which gave employment to a considerable number of households.<sup>17</sup> Compared with Kachh, the textile output at Broach was much higher and thus the number of looms and the people involved in various stages of production there must also have been correspondingly larger. The above estimates of the numerical strength of the textile industry of Surat suggest that a considerable portion of the population of Surat and its vicinity was involved in this craft. Their earnings must have contributed to the growth of local demand for a variety of indigenous products and imported goods.

Dying yarn and cloth was yet another important stage in textile production. This was done usually by professional dyers who rendered such services to merchants for money wages. Normally cotton yarn was dyed either blue or red. Locally-produced indigo and sappanwood imported from South-east Asia were used to produce these colours. The colour and brightness, however, depended largely on the quality of the water.<sup>18</sup> In addition to the dyers, there were people involved in bleaching and painting or printing cloth in different shades and designs. The industry on the whole contributed greatly to the region's thriving commerce by catering to the Euro-Asian demand for textiles and to the general affluence and prosperity by generating ample income opportunities for a large number of merchants and artisans. Each of the stages in the production of textiles had certain values and social dynamism associated with it to which we now turn our attention.

### *Caste, labour, and inter-professional mobility*

The notion that the segregated skills and the absence of inter-craft mobility arrested economic development in South Asia does not correspond to the evidence. Irfan Habib asserts that there were certain elements of flexibility in the caste order that allowed for some professional mobility.<sup>19</sup> According to the state and its framework of customary practices, everyone was free to employ himself in any profession he chose, but certain caste-specific professional groups guarded their interests to bar outsiders from competing with them. The caste exclusiveness of a profession was generally asserted by some weaving communities but such conventional professional norms were sometimes undermined. Market mechanisms induced people to play with such rigidities. In times of an augmented demand for textiles, weavers were forced to employ additional labour, not necessarily from the same caste. This is how the Kunbis learnt the art of weaving fine quality piece-goods from the Khatri weavers who employed them.<sup>20</sup> Since weaving required some training and skill, which was passed down from

one generation to the next within families, some caste groups could maintain a dominant position. Among weavers of a particular caste, therefore, a sense of solidarity prevailed which was invoked whenever their common interests were threatened. Apparently, they had a corporate body consisting of head weavers known as *patels* and *muqaddams*.<sup>21</sup> We lack information about whether there was any supra-local corporate organisation of any caste or group of castes.

There was no class consciousness among weavers that transcended all caste or sub-caste solidarities. We have no evidence to suggest that the weavers as a whole ever shared a common platform to project their professional aspirations or to resist oppression and exploitation.<sup>22</sup> In 1742, to express their sense of resentment of Muslim immigrant weavers, some Hindu weavers of Surat went on strike and refused to produce for the European Companies.<sup>23</sup> Although they complained about the imposition of a tax from which Muslims were exempted, the actual source of irritation was professional jealousy and the threat that the newcomers posed to their business.<sup>24</sup> The Khatri umbrage on Kunbis acquiring the right to manufacture *saris* reveals a similar professional rivalry within the Hindu weaving community. The dispute between the two castes impeded the EIC's investments until the English chief at Surat persuaded the Nawab in 1800 to withdraw the licence that Surat's Governor Safdar Khan had issued the Kunbis about half a century earlier.<sup>25</sup>

So far we have no evidence about the earnings of weavers or their living standards. Such textile prices as are available in European records represent what the Companies paid their suppliers, not what the weavers themselves earned. The detailed information on weaving in Bengal and south-eastern India has helped scholars illuminate such aspects as productivity, wages, and living standards of weavers and workers involved in different stages of manufacture.<sup>26</sup> In Surat, a spinner earned an average of Rs 8.5 for spinning a *man* of yarn.<sup>27</sup> Assuming that a woman working full time spun 0.75 of a *seer* (0.468 pound) per day, it would take about eighty days to spin a *man* of yarn of Surat weight.<sup>28</sup> The wage would then be about 1.7 *annas* (one-sixteenth of a rupee) a day or Rs 3.18 a month.

In the case of weavers, it is really hard to quantify their earnings since usually they received advances from merchants with which they bought yarn and other supplies. They usually sold their finished goods to the same merchants who had advanced them money at a mutually agreed price. In 1738, the Parsi weavers, who had been persuaded to move to Bombay to work for the EIC, demanded Rs 5 a month as their wage.<sup>29</sup> Even if we accept this as the average standard wage, this is still lower than the wages earned by skilled artisans and even some ordinary workers.<sup>30</sup> What then made weavers continue with their profession at comparatively low wages?

Certainly, there were some social restrictions as the caste–profession nexus rendered transgression a difficult proposition. The English authorities at Surat noted in 1792 that ‘each branch of manufacture of this place is confined to one set of people, who by ancient, as well as religious custom, can never be persuaded to change their occupation’.<sup>31</sup> The fact that weavers stuck to their profession could be attributed to their sophistication and skill in weaving textiles. This was because there was a huge demand for their labour which gave them a great deal of job security. Practically also, it was difficult for them to shift to some other job that required an altogether different skill and expertise. It kept people busy with work for a large part of the year and especially in the peak seasons. The lure of advances and assured saleability of the product gave them professional security as well. More importantly, this profession did not entail a large capital investment in tools and implements or a workshop such as a carpenter would need. The cotton carder’s bow, cotton cleaner’s and spinner’s *charkha* or weaver’s loom did not cost large fortunes.<sup>32</sup> They also did not have to worry about the running capital as they usually got advances from prospective textile dealers. For those who worked with their own capital, and there were certainly many, the chances of a high price and large earnings on account of a fiercely competitive market served as a major incentive. At leisure, they were free to do whatever they wanted. Some of them joined others in agricultural chores especially in those households that combined growing cotton with manufacturing textiles.<sup>33</sup>

### *Weavers, merchants, and the English East India Company*

In the European sources, weavers have been represented as an impoverished lot always indebted to the local money merchant. This does not seem to be universally true. There was certainly a hierarchy among weavers, some of whom were rich enough to produce on their own account and sell on their own terms to merchants. There were of course others who were less fortunate and burdened by merchant capital. Accepting advances from merchants did not necessarily mean that weavers were utterly poor, as Lakshmi Subramanian presumed in discussing the Muslim weavers of Surat.<sup>34</sup> Advancing money to weavers was a merchant’s way of ensuring the timely delivery of textiles of a desired quality and quantity. To weavers, this guaranteed employment and income and it also implied a sharing of risk. The structure of the market and the nature of consumer demand in fact made it desirable for both parties to enter into a contract regarding the delivery of textiles. As K. N. Chaudhuri writes:

The high cost of the fine luxury products, especially in the case of silk piece-goods, made it a highly speculative venture on the part of producers to undertake the weaving of those types at their own risk. A commercial agreement between wholesale merchants in touch with the consuming markets and weavers reduced the element of risk on both sides. The merchant was assured of receiving supplies on time, before the seasonal sailing dates of his ships, and the producers knew in advance that they would not be left with costly unsold stock on their hands. The whole system of marketing cotton or silk textiles in pre-modern exchange economies incorporated a most important element of capitalism, that of advance finance.<sup>35</sup>

The usually large demand on the one hand and the unpredictability of crop and textile output on the other rendered it imperative that merchants engage weavers well ahead of the actual sailing season. Fierce competition among buyers often made the market favourable to the seller.<sup>36</sup> Undoubtedly, merchants were the major beneficiaries but weavers were not completely denied its advantages. Even under the system of advances, weavers were not at a loss because they usually contracted to supply cloth at the market price.<sup>37</sup> There are references to weavers who sold their products to the merchants paying a higher price than the one who had advanced money. This was so rampant that the suppliers of the European Companies were sometimes unable to deliver textiles as stipulated in the contract. The merchants' desperation to force weavers to comply with the terms of the contract and the latter's assertion of freedom to take advantage of competitive buying were characteristic features of the market in Gujarat. Chaudhuri has argued that, contrary to their alleged poverty, weavers were quite often in a strong bargaining position.<sup>38</sup> Contemporary reports suggest that weavers sometimes deliberately produced cloth of a poorer quality than stipulated in the contract so that they were rejected by the Companies and could be sold to other buyers who were ready to pay a higher price.<sup>39</sup> Talking about south-eastern India, Prasanna Parthasarathi has suggested that in the given legal institutional framework of South Asian societies in early modern times, the relationship between weavers and merchant moneylenders was far from that of bondage.<sup>40</sup> Migration was the weaver's weapon to evade misfortune caused by natural calamities or exploitation by merchants or states. When a grave political crisis befell Ahmadabad in the second quarter of the eighteenth century, artisans and manufacturers moved to Surat and other places.<sup>41</sup> In the 1790s, the English officials ascribed the migration of weavers from Cambay to Surat and Bombay to a dreadful famine and the exploitative nature of local officials.<sup>42</sup>

On account of competitive buying, the weavers of Gujarat were quite often in a bargaining position. The nature of the textile market made it unavoidable for all merchants and Companies to have recourse to forward buying through their brokers. Since local merchants served as brokers



to almost all potential buyers of textiles, none of the Companies or groups of merchants could exert any monopsonistic control over textiles produced in Gujarat. The fierce competition among merchants and brokers to secure textiles often made the market favourable for producers. In their attempt to secure textiles, the English and Dutch adopted measures that further served the weaver's interests. In 1795, when the English contemplated securing the labour of some weaving communities of Surat, they used economic means to achieve this instead of force or coercion. The English instructed the contractors to place orders for ten *corgis* of each sort that the Portuguese bought from Surat, just to keep weavers occupied and prevent them from taking employment from others.<sup>43</sup> Likewise, they persuaded the Khatri weavers of Surat to work exclusively for the Company by promising that it would protect them against any molestation and oppression, and that after meeting the Company's requirements they would be completely free to produce whatever and for whomsoever they would like.<sup>44</sup> The weavers consented to work for the Company only if their right to manufacture *saris* was restored to them.<sup>45</sup> In a letter to the president and the council at Bombay, the English chief at Surat described the deal in the following words:

They [Khatris] could be persuaded only on the assurance of the Company's protection against any molestation and oppression should be offered them by any person that after proportioning amongst them a certain quantity of the investment according to their numbers and so as not materially to impede their profit in the silk business, no further demand would be made on them for their labour and they might throughout the rest of the year employ their industry as they pleased. As a precondition they requested the restoration of their right to make saris which the Coombi [Kunbi] weavers have got from Safdar Khan by means of a gift to him....

Similar endeavours were made to secure Moslem weavers who make goods for the Company and also for the Portuguese, Dutch and French, and which could be achieved by means of securing their employment at the time when they need to be engaged without giving complaints to the others against this monopoly. The contractors were further advised to put in hand ten *corgis* of each of the assortments of Portuguese goods not included in the Company's investment because being thus provided with employment for the present the workmen would have no pretence to take other employ.<sup>46</sup>

The market-driven relationship between textile producers and the EIC seems to have continued even after the latter's formal takeover of the civil and military administration of Surat in 1800. By then, the Company had substantially augmented its military strength and it soon came to control the revenue resources of Surat. With this there were certainly some major structural changes in the mode of textile procurement in Gujarat. The Company soon dispensed with the main contractors at Surat and began to manage its investments through commercial residents in direct contact



with weavers and manufacturers and in the case of cotton with the village officials and cotton growers. In the present state of our knowledge it may be argued that whereas the Company benefited from the elimination of the intermediaries the weavers producing for the Company were not subjected to coercion. They were not forced to sell their produce at the Company's unilaterally determined price. It appears from the records pertaining to the Company's investment in the early years of the nineteenth century that it advanced money to local merchants and weavers and procured textiles at the mutually agreed price. In the management of its investment in cotton the Company most often had to have recourse to the market-determined price. Even in the early 1820s, its investments in cotton and textiles were susceptible to the adverse consequences of price fluctuation caused by a poor harvest and the ensuing shortage of supply or by an exorbitant demand. There are references in our sources to the Company's helplessly acquiescing to the price demanded by the weavers and cotton producers.<sup>47</sup> This testifies to the fact that there was a great degree of continuity in the weavers' position throughout the eighteenth and early nineteenth centuries.

Amiya Kumar Bagchi attributes the continued survival of some merchants and producers in Gujarat during this period to the Company's limited access to the hinterland owing to the Maratha presence until 1818 and to the loss of its exclusive right to trade in Asia when the authorities in London refused to renew the Company's charter in 1813.<sup>48</sup> This continuity may be attributed less to political expediency than to the dynamic nature of the market with features like competitive buying, the substantial presence of local merchants and the assertion of professional freedom by the producers. Throughout this period, the Company's investments in cotton and textiles remained vulnerable to the adverse consequences of large-scale procurements made by private European merchants and local traders. This phenomenon is best illustrated in a letter of the commercial resident at Cambay to the governor in council at Bombay in 1806. The resident wrote:

There is more competition for cloth at Cambay than formerly from the number of merchants resorting to purchase this article for the Bussorah [Basra], Mocha [Mokha], and Juddah [Jeddah] markets, they pay higher prices, and make pecuniary advances to the manufacturers, and although allowing the weavers to work half for the Company, and the same quantity for the merchants, has been of much utility in getting several artisans from the neighbouring villages, yet I have reason to suppose that they weave more for the latter in proportion than the former, indeed nothing can prevent this, but an order that the Company's investment should be completed previous to working for the inhabitants which the weaver would agree to, provided the influence of the *detals* and *khisdars* (who supply cloths to the merchants at the same time they are furnishing the investment) were done away. I have

little doubt that they make use of the Company's finances to forward their private engagement with the merchants at the same period, they are fulfilling their contract with the Company.<sup>49</sup>

Similar worries were expressed by the Company authorities at Surat and Broach with regard to the difficulties in the procurement of piece-goods and cotton arising from large investments made by other buyers.<sup>50</sup> Thus, unlike their counterparts in Bengal and on the Coromandel Coast who in the second half of the century had been tamed to serve the requirements of the emerging colonial state, the weavers and producers of Gujarat maintained their professional freedom even after the complete colonial takeover of the region in the early nineteenth century. The economic forces that governed the commercial interaction between producers and merchants in Gujarat remained rather strong and the shared character of political power and authority in the region left no space for a possible emergence of 'state mercantilism' and, by extension, a complete subordination of artisans and producers by the state.<sup>51</sup>

### *Labour market*

The term labour denotes workmen who sold their labour in return for wages. Unlike peasants and craftsmen, labourers had no control over their produce. They were involved in different capacities in various processes and stages of production. Even some weavers, employed by a master weaver or a merchant entrepreneur to work for wages, were labourers. As a group, they played a significant role in the production and exchange of commodities as well as in providing merchants and others with their crucial services in building, transportation, and helping craftsmen in making tools and implements for productive and household purposes. Thanks to the sheer number of these wage earners, a large amount of money was kept in circulation. The money wages they received pushed up their purchasing power and enhanced the local demand for a variety of consumer goods. It is in this context that the subaltern groups assumed considerable economic significance.

Within the two broad categories of labour—skilled and unskilled—there were numerous occupational groups and sub-groups that performed a variety of tasks. There existed a great deal of economic and social disparity such as in wages and social status depending upon the nature of the work and the scale of risk and investment involved in the profession. Their services were inevitable almost everywhere, but large cities generated large employment opportunities in more numerous types of work than anywhere else, which resulted in a concentration of labour in urban centres. Although the cities like Surat, Ahmadabad, Baroda, Cambay, and

Broach employed labour on a large scale, information about the wages earned and the social composition of the labour force is rather scanty. There were carpenters, bricklayers, smiths, tailors, and barbers rendering their services in almost every large village, but it is hard to find information about any of these groups beyond occasional indications of their presence and a few chance references to their wages.<sup>52</sup> The Dutch records from Surat contain valuable information on some of these groups that I have used to examine the dynamics of the labour market. The two major categories of labour discussed below are urban workers—mainly carpenters and bricklayers—and the maritime proletariat, especially sailors. These groups were employed by the European Companies in Surat in large numbers and on a regular basis, and my preference for examining these groups is dictated by the wealth of Company records on wages, methods of recruitment, modes of payment and in certain cases, the socio-ethnic composition of these groups.

### *Carpenters and bricklayers*

Carpenters and bricklayers were among the major groups servicing the residents of Surat. The large-scale use of wood in the construction of houses and in shipbuilding created an enormous demand for their labour. Houses in the city usually had wooden roofs covered with baked earthen tiles. During the monsoon and heavy rains, houses would get damaged easily and most required a major repair at least every couple of years. Flooding of the river Tapti was another major source of destruction. We have a few references to inundations and the ensuing devastation in late eighteenth-century Surat.<sup>53</sup> The presence of a large section of people trained in carpentry, masonry and other activities was a feature of the labour market in Surat. There was, it seems, a great deal of specialisation among carpenters in Gujarat. Some specialised in ship-building, some had expertise in making furniture, while many others were expert in making and mending looms. This is evident from Cambay where a group of carpenters employed by the EIC specialised in making and repairing looms and they were much sought after by the weavers to make and repair their looms.<sup>54</sup>

Like the commodity market, the labour market responded to demand and supply. In particular seasons and under certain circumstances, the demand for labour was high compared with other times. The supply of labour was resilient enough to accommodate fluctuations in demand. The pull of the city as a place that offered great employment opportunities attracted large numbers of people from the surrounding rural areas. The seasonal nature of agricultural operations also allowed labourers to supplement their income by availing themselves of the employment

opportunities elsewhere, but more so in large cities. The complementarities between agricultural and urban labour were a common feature of the economy. There were occasions, however, when production and trade were adversely affected because of the labour shortage. At times when there was no influx of rural labour, city dwellers, especially merchants, certainly faced difficulties.<sup>55</sup> Except under extraordinary circumstances, like periods of famine or epidemics, Surat and other parts of Gujarat did not experience any scarcity of labour.<sup>56</sup> The mechanisms whereby the labour was supplemented or complemented across spaces seem to have contributed to the smooth functioning of the labour market in Gujarat.

There are no contemporary estimates of the size of this labour force in Surat or any other city in Gujarat. The figures in the records of the VOC on the employment of these workmen provide the total number of labour days spent in building houses and their wages paid for the work. The VOC and the EIC needed these services on quite a regular basis. Their large establishments included several living quarters and storehouses that had to be mended and renovated almost every other year or so.<sup>57</sup> The VOC's *modi* (caretaker) looked after the Company's logistics and took care of the physical maintenance of its establishments. The EIC also employed, on a long-term basis, a master carpenter and a chief bricklayer to take care of all building and repairs.<sup>58</sup> On a more modest scale, such services were also required for repairing ships. The ship-building industry at Surat offered employment opportunities for carpenters, sailmakers and many other workmen, such as caulkers, who helped in fitting out ships in various ways.<sup>59</sup> It should be noted that in our period of study the VOC was left with only a few ships at Surat. But at the same time, the number of EIC and private ships arriving at Surat in this period was much larger than ever before. The labour requirement must have gone up quite substantially because of the English demand. In the late eighteenth century, the merchant fleet of Surat consisted of about two dozen large ocean-going ships and more than 200 small vessels and boats engaged in coastal and riverine traffic. This must have offered ample employment opportunities to a great number of carpenters, sailmakers, caulkers and sailors.

### *Maritime proletariat: the sailors*

Sailors constituted a significant group of labourers in Surat whose services were most sought after by shipowners. At the beginning of the eighteenth century, when the Surat fleet comprised more than a hundred ocean-going ships, the demand for such labour must have been large. The Companies and the private European shipowners employed them to man their ships. The Portuguese and the English had recruited many ordinary Indian sailors from the time of their arrival in India.<sup>60</sup> The VOC

recruited European sailors to man its ships in Asia until the mid-eighteenth century when crew shortages due to a combination of large-scale conscription by European navies at home and high mortality in Asia, particularly at Batavia, compelled the Company's authorities to recruit sailors within Asia. The Dutch needed indigenous sailors in large numbers to man their ships plying the intra-Asian circuit. Many were available in Bengal and Gujarat. Unlike local shipowners, who recruited crews for a single season or a particular voyage, the Europeans, especially the Dutch, employed sailors for several years at a time. The 'Muslim sailors' (*Moorse zeevarenden*, as the Dutch called them, or lascars as they were called by the English) of Surat were recruited by the Dutch for three years during which time they were to serve on the Company ships sailing from Batavia to different destinations within Asia. The EIC also recruited them for fairly long periods and many of them served on board ships bound for England.<sup>61</sup>

Our sources do not allow us to specify the nature of the tasks they performed on board ships. Like any casual labour, the sailors were required to perform hard physical labour, as porters in loading and unloading the cargo, pumping out water and similar duties. As young men, they had plenty of opportunities to acquire some technical skill from experienced persons in the course of service. It was thus not difficult for at least some of them to learn how to repair sails or to help other crewmembers in carrying out their responsibilities.

The generic term *matroos* used in Dutch sources meant a sailor, but it was also used for all labourers who worked as coolies (a word which, though frequently associated with Chinese labourers, comes from the Urdu, *quli*, meaning common labourer) on ships transporting goods. Similarly, the *zeevarenden* although essentially meant for manning ships on high seas, were also deployed as ordinary labourers. A number of sailors were thus casually recruited for carrying out different tasks within Gujarat. Although they could perform any work, they were mainly employed for bringing building materials in boats from outside Surat. Since their term of service was rather short, they were remunerated on a daily basis like other labourers. The EIC also employed a number of sailors to serve on its vessels and boats. The private English shipowners too seem to have availed themselves of sailors' services.

### *Organisation of the labour market and methods of recruitment*

While the organisation of the military labour market in pre-colonial South Asia is fairly well understood thanks to the works of Dirk Kolff and, more recently, Jos Gommans, our knowledge of the social and eco-

nomic dimensions of the non-military labour market is quite limited.<sup>62</sup> In this section, I have analysed the organisational dynamics of the labour market in Surat. Beyond some conventional caste or ethnic influences or restrictions on mobility, the labour market was free and any employer could find workers if he wanted to. The market had no central location as such and most labour was casual in character. Port towns like Surat had a concentration of labour. It is true, however, that non-agricultural labour flocked to the cities from nearby and distant villages in search of jobs and thus supplemented the total labour force of the city. In Surat, a majority of sailors were recruited within the city but many of them came from the surrounding rural areas. When labour was in short supply, as happened in 1778, brokers had to recruit sailors in the interior of Surat.<sup>63</sup> Since the job market was circumscribed by seasons, many labourers, after having been employed, returned to their villages to work in agricultural operations. In harvesting seasons, villages required a large number of labourers, both men and women. The notion that in Europe the maritime and more inland labour markets were integrated at local levels matches quite well with the structure of such markets in Asia.<sup>64</sup>

The hierarchy of tasks was mirrored by the hierarchy of labour. Every kind of work—carpentry, bricklaying or sailmaking—employed two classes of workers, bosses (*bazen* in Dutch) and ordinary (*gemeen*) workers. Most often, the latter were further divided into young men (*knechts*) and boys (*jongens*).<sup>65</sup> The *bazen* were skilled artisans who were assisted by unskilled workers in carrying out their tasks. Each artisan was accompanied by several assistants. Normally, it was the main artisan who was contacted by the employer, the assistants simply followed him. This was by and large true of carpenters, bricklayers, sailmakers, stonecutters, and so on. Unskilled labourers who were required in much larger numbers than the specialised artisans, could be employed directly.

The services of intermediaries or brokers were indispensable in recruiting labour, especially when large numbers of workers were required at a time. The *modi* of the VOC was instrumental in assembling all sorts of material required for repairing a ship or a house and putting the artisans and labourers to work. Being in contact with several local dealers in labour, he could mobilise the required number of artisans and workmen relatively easily. This was possible largely because of interpersonal social bonds that tied a variety of workers together. The EIC employed on a long-term basis a master carpenter, a chief bricklayer, and several other men to facilitate any construction work.<sup>66</sup> Each had a designated task to perform which included mustering workmen and putting them to work. These men exercised great influence among their fellow workers and stood surety for them for the payment of wages. The Company also employed an overseer responsible for preparing daily reports and ensuring

that the workers performed their duties.<sup>67</sup> That some intermediaries were instrumental in the employment and management of the large labour force required by the European Companies in Surat is analogous to the crucial role of *zielverkopers*<sup>68</sup> in the organisation of the labour market for sailors. Fortunately, a good deal of information on various aspects of maritime labour is available in the archives of the VOC. In fact, this is possibly the only segment of the labour market on which such detailed documentation is found in any of the European records for this part of the world.

One of the characteristics of early-modern societies in both Asia and Europe was the large economic disparity among the people inhabiting a particular city or region. Despite—or perhaps because of—its being one of the richest cities in the world, Surat offers the best example of these extremes of material affluence and poverty. While it was home to several groups of very affluent merchants, bankers and shipowners, there were also people who were miserably poor. As a major commercial mart and an oceanic terminus, Surat generated ample job opportunities for its people. Quite a number of families subsisted on working as coolies, weighers, packers, and in a number of other capacities at the port. Such activities were, however, trade-oriented and job opportunities depended on the magnitude of maritime commercial traffic.

For some enterprising young men, sailing as a profession offered opportunities for material prosperity. Since serving on board a ship ensured a monthly salary for a couple of years, some of them readily took up this profession. There were families in Surat and its vicinity whose members willingly worked as sailors and had the freedom to prefer one employer over the other. Several Dutch reports indicate a certain preference for the VOC among some such families in Surat.<sup>69</sup> Other young men were, however, forced into this profession by economic circumstance. Struck by acute poverty and driven by need, this section of Surat's youth turned into a marketable commodity. Some entrepreneurs got hold of these poor young men, kept them as labourers and put them to work as sailors in order to reap material benefits from their labour.

These entrepreneurs were predominantly Banias who invested in this enterprise by either purchasing young boys or by extending funds and provisions to the needy families. Indebtedness compelled young men to work as sailors. Three Bania entrepreneurs worked almost permanently for the VOC in this manner: Nathu Ratanji, Kalyan Nanabhai (sometimes substituted by Kalyan Govindji), and Biju Bhaidas.<sup>70</sup> There were many others in Surat who specialised in servicing European Companies and other shipowner employers. Their names are not recorded in our sources but we certainly know that they rendered this service to the employers of maritime labour. We have at least one reference from the



year 1780 when the Dutch authorities at Surat recruited sailors through the mediation of entrepreneurs (*wervers*) other than the three mentioned above.<sup>71</sup>

This was a sensitive enterprise and the entrepreneurs had to solicit support and the goodwill of the local administration, especially the *Bakhshi* of Surat. As the head of military recruitment and maintenance, the *Bakhshi* was supposedly responsible for the welfare of the workmen inhabiting Surat. His consent was needed for recruiting sailors and sending them to Batavia. It appears that the brokers solicited the support of the local administration in cases of disputes arising out of non-compliance with the terms of contract. The intensity of intervention from the *Bakhshi*, the *Qazi* (judge) or even the Nawab of Surat in disputes concerning the settlement of accounts of the sailors who died at Batavia or had gone missing or deserted the Company, suggests that the local administration had some material interest in it as well. This may well have been because of the authorities' personal involvement and participation in the enterprise or on account of sharing the perquisites that accrued to the labour dealers. However, the involvement of the administration could also be interpreted as an expression of paternalistic care and its perception of being accountable to affected families. More plausibly, it was because the Mughal system of escheat entitled them to the property—in this case wages—of those who died without leaving a legal heir.<sup>72</sup>

There were different ways in which sailors were recruited by ship-owners and the Companies. The local Muslim shipowners could possibly recruit sailors from their own community from whose ranks a majority of them in fact came. The *sarangs* and *tandels* (chiefs of sailors) had contacts with people who were willing to serve as sailors.<sup>73</sup> It was easier for them to make their own group (*ploeg*) which in numerical strength varied between twenty and fifty sailors, and enter into the service of ship-owners.<sup>74</sup> There are indications in our sources that in Surat thousands of sailors were recruited directly without the mediation of local administration or brokers.<sup>75</sup> Alternatively, there were professional brokers in Surat and elsewhere who could be entrusted with the task of supplying ordinary sailors whenever required.

As in Europe where the role of *volkhouders* was important in the recruitment of sailors, though they were quite often bypassed, in Asia too intermediaries were crucial but could at times be evaded. All shipowners could, at least legally, employ any number of sailors without recourse to a broker.<sup>76</sup> It was only in the case of the VOC that we find that the role of brokers was indispensable in the recruitment of sailors. Possibly the long period of service entailed this kind of arrangement. Since the sailors recruited by the VOC were to return to their families only after a couple of years, the contracting brokers had to maintain a proper account of all



those delivered to the Company. It is not clear whether a written contract laying down the terms of employment was made with the brokers on the delivery of each group of sailors. On demand from some individual families, however, the *soldijboekhouder* (salary-book keeper) gave a written assurance that the sailors would return to their families after serving three years at Batavia.

We have no definitive data about the total number of sailors recruited by the shipowners at Surat in a given year. Even for the VOC, the information is limited. The scattered figures suggest that on average about one hundred sailors were sent on each ship returning to Batavia. Since each group was meant to stay for three years and as many of them did not return to Surat in that time, the total at Batavia at a given point in time was quite high. In 1776–7, there were about one thousand Surat sailors in the service of the VOC (Table 2.1). The EIC and private Englishmen having a large number of ships were naturally major employers of maritime labour in Surat. In the present state of our knowledge we cannot quantify this important labour force but, keeping in mind that each ship had to have at least a few dozen lascars on board, the total number of sailors in service was presumably substantial.

*Table 2.1 Muslim sailors of Surat recruited by the VOC*

Year	Sailors sent from Surat	Surat sailors at Batavia
1763	83	
1768	395	
1769	214	
1772	349	
1773	275	
1774	200	
1775	200	
1776		1,018
1777	110 (on one ship)	
1780		605
1785		200

Note: These figures are randomly mentioned in the Company's records and are in no way definitive. The absence of figures in other years, however, does not imply that sailors were not recruited and sent to Batavia.

Source: VOC 3268, f. 49<sup>v</sup>; VOC 3381, f. 26<sup>v</sup>; VOC 3408, f. 21<sup>v</sup>; VOC 3462, ff. 463<sup>r-v</sup>; VOC 3490, ff. 265<sup>r</sup>-266<sup>v</sup>.

### *Wages and remuneration*

In a typical rural set up, it may be presumed that labourers received their wages usually in grain. Even in the early nineteenth century, carpenters and bricklayers at Cambay are known to have received two *seers* of grain

as a daily wage.<sup>77</sup> The grain here possibly meant to determine the money wage as per the prevailing market price in which the labour was actually remunerated in urban centres. All labourers employed on a long-term basis, such as sailors, soldiers, and sometimes even peons and guards, were paid a monthly salary. Casual labourers were remunerated in money wages on a daily or weekly basis.<sup>78</sup> It appears from the data on wages (Appendix 2) that despite some occasional fluctuations, wages for most categories of labour remained rather stable.<sup>79</sup> The only exception seems to be sailmakers, whose wages show an upward trend during this period. Their wages rose from Rs 7.5 per month until the 1760s to Rs 12 or occasionally even Rs 15 thereafter. For ordinary sailmakers as well, wages registered a sharp rise, from Rs 5 a month in 1766 to Rs 10 a decade later. In many occupational categories labourers performed a variety of tasks that involved different levels of skill and expertise. The skill premium is very much reflected in the differential wages paid to the labourers in the same occupational category. The difference in wages of master artisans and ordinary workmen who were in the process of acquiring expertise was not much. The latter received wages that were ordinarily four-fifths or five-sixths of those of the master artisans. The apprentices in general earned about or less than one-half of the former. Similarly, ordinary women labourers were usually paid only three-quarters or sometimes even only sixty per cent of what their male counterparts received for the same type of work. The wages of sailors, coolies, drillers, limemakers (*kalk kloppers*), and women labourers remained rather stable throughout this period.

Among all labourers, master carpenters and bricklayers received the highest wages, which averaged more than Rs 16 and Rs 15 a month, respectively.<sup>80</sup> The others, like master caulkers, sailmakers, ordinary carpenters and bricklayers, drillers, iron smiths and those who equipped ships were paid Rs 10 to Rs 12 a month. Women who worked only as ordinary labourers were paid the least, only Rs 3 to Rs 3.7 a month. Although the presence of women labourers is noticed earlier, a strikingly large number of them were employed by the VOC in the last two decades of the eighteenth century. Possibly, an increased demand for labour offered opportunities to poor women to earn a living. Whatever the reason, women's large presence in the labour market, and especially in the textile industry, certainly contributed to their families' income.

The figures in Appendix 2 represent wages that the VOC paid to artisans and labourers. We do not know if these were paid directly to them or through intermediaries. In the latter case, the actual wage received by the worker would have been less than that in the table. We certainly know that the sailors recruited by the VOC at Surat were paid a monthly gross salary of Rs 6 (or 6 stivers per day). The method of payment in Surat was

as follows. At the time of recruitment and upon arrival on board a ship, five months' salary plus a bequest (*vermaking*) to the value of Rs 12 (salary for two months) was paid in advance. Thus of Rs 42 paid, the *soldij-boekhouder* kept Rs 2 as his perk and Rs 8 was the commission of the brokers (*zielverkopers*). Thus, the sailors actually received a little more than three-quarters of the gross salary.<sup>81</sup> The remaining five months' salary was paid at Batavia. In the second year, the salary for a maximum of eight months was paid at Batavia. The two-month bequest, as in the first year, was paid to the families of those who were alive and in the service of the Company. The salary for the remaining two months was withheld by the Company and was due on the return of the sailors to Surat. In the third year, too, the sailors were entitled to not more than eight months' salary at Batavia and on their return they were paid for the remaining four months plus two months' salary owed from the second year. At Batavia, only two-thirds of the salary per month was paid and the remaining was due at Surat on their return after the completion of service.<sup>82</sup> This unique practice of part payment here and part there gave rise to disputes at the final settlement of accounts at Surat.<sup>83</sup> In case of desertion, the salary was forfeited to the Company.

The *sarangs* were paid a monthly salary of Rs 15 and *tandels* got Rs 12 a month. It is not clear if brokers had a share in the salaries of these two as well. These may have been experienced sailors who, being locally influential, could recruit sailors on their own to form groups. In such cases, they assumed the functions of a contact person for both sailors and brokers or even the actual employers. Individual sailors who were directly recruited could be assigned to any *sarang* and *tandel* by the brokers in consultation with the *soldijboekhouder*. Whereas in Surat the brokers were the recipients of salaries from the Company, at Batavia payments were made to their *sarangs* and *tandels* who were then responsible for distributing the money among sailors or their families. This mode of indirect payment sometimes gave rise to abuses. There are allusions in our sources to the rapacious behaviour of some *sarangs* and *tandels* who sometimes deprived the sailors of their actual salaries.<sup>84</sup>

Our knowledge of sailors' living standards is limited. A comparison with European sailors' salaries and contracts is nevertheless useful. As in Europe, sailors in Asia were recruited by the VOC for a term of three years. In the case of European sailors this period was exclusive of the time spent during the voyage to Asia. On the whole, the salaries that the Company paid to Asian sailors corresponded to those paid to European sailors serving in Asia. Whereas the former were paid Rs 6 per month, the latter got about eight to ten guilders (roughly Rs 5½ to 6⅔).<sup>85</sup> The young European sailors (*jongens*) in the service of the VOC in Asia were paid even less whereas soldiers (*soldaten*) received a monthly salary of Rs 6.<sup>86</sup>

The major difference between Asian and European sailors was the absence of upward mobility in rank for the former, whereas many European sailors in Asia could sooner or later move upward in the hierarchy.<sup>87</sup>

In terms of money wages, the artisans and workers in other sectors were fairly well paid. The skill premium is well reflected in the wage disparity and the master artisans were well-remunerated. We do not know how skills were acquired. It was more a matter of heredity and convention that certain families excelled in certain crafts. The skill, such as the familiarity with various types and qualities of wood, measurements, designing the frame and shape of the intended product, as well as the ability to lead a team of assistants, could be acquired through training and apprenticeship with a master carpenter.<sup>88</sup> The artisan's expertise in producing fine quality goods determined, to a large extent, his reputation and consequently, the demand for his services. He also had to invest some capital in obtaining tools. Ordinary labourers simply rendered physical labour and usually worked with tools provided by the master artisan or the employer.

The labourers subsisted on ordinary grain produced in abundance in Gujarat and the wages or salaries they received were sufficient for their households' requirements. It is not possible to determine what proportion of their earnings was spent on the consumption of grain, spices and miscellaneous goods from the market. A rare insight into a worker's household in Bengal and its monthly expenditure indicates that a family of three women, one child and two working men with an average earning of Rs 9, had a good living that enabled them to purchase in addition to staple food items, some clothes and shoes, betel nuts, tobacco, spices, *ghee* (clarified butter) and sweetmeats.<sup>89</sup> By analogy it can be inferred that with the households' comparatively higher earnings, a labourer's family in Surat must have lived relatively comfortably. It might be argued from the large-scale import and sale of sugar and other commodities that their earnings helped spur demand for these commodities. The greatest anxiety, however, was that they had to save a part of their earnings for unforeseen expenses and for times when there was no work, especially in the rainy season. A majority could not save and had to have recourse to borrowing from local moneylenders. As for many peasants, the artisan's indebtedness was a bane and many of them, as in the case of many sailors, descended to a position in which they owed as much as, or more than, they earned.

The caste or ethnic composition of the labour force in Gujarat is also an important aspect of the labour market. Although in some professions men of a particular caste or ethnicity predominated, others were not totally excluded. From the names of individual artisans occasionally mentioned in our sources it appears that carpenters were mainly Hindus and Parsis whereas those involved in house building and sailing were

predominantly Muslims.<sup>90</sup> The EIC's appointment of some master artisans at Surat, if made on the assumption that they would have great influence among fellow professionals of the same social background as their own, might also indicate ethnic dominance.<sup>91</sup> Most professions were, however, open for all and people joined professions and took part in various production processes in ways that cut across communities and castes. As we have seen above, the Muslims and Hindus and their different sub-castes as well as the Parsis were engaged in weaving. One gets the same impression from the lists of agate merchants and manufacturers of Cambay in the early nineteenth century.<sup>92</sup> The labourers were, it seems, pragmatic in their approach to work. They showed no inhibition about responding to any job opportunity. This is most clearly exemplified in the case of sailors. Since the sailors recruited by the Companies were known as 'Muslim sailors', the brokers were misled by this term and thought that only Muslims could be recruited for this job. As there were many non-Muslims in Surat who were willing to be recruited as sailors, they were given a fake Muslim name and brought to serve the VOC ships.<sup>93</sup>

### *Local navies and the maritime proletariat*

The local merchant fleet of Surat and the several armed navies of Gujarat also generated enormous employment opportunities. The growing numbers of so-called pirates in the Gulf of Cambay as well as at Bassein, and further to the south of Bombay, gave employment to a large number of people of the littoral. The Maratha fleet at Bassein had a good number of ships and small vessels that required the services of a large group of people both skilled and unskilled to carry on naval activities. The fleet that attacked the Dutch ship the *Huijgewaard* in 1746 consisted of a three-masted ship, three two-masted *ghurabs*, and nine *galbets* manned by a total of 2,400 sailors.<sup>94</sup> The other groups involved in maritime violence in the Gulf of Cambay, such as the Sultanpuris, Kolis, and Ballimoras also maintained fleets consisting of different kinds of vessels.

A large part of coastal Kathiawar and Kachh was infested with predators. The Nawab of Junagarh and the Sidis of Jaffarabad maintained fleets that cruised in the Gulf of Cambay where they captured several small merchant vessels sailing under English protection. In 1800, the fleet of the Nawab took a boat under English colours laden with 143 bales of cotton (worth Rs 10,000) while the Sidis captured eighteen horses belonging to the EIC.<sup>95</sup> These small fleets seem to have offered some job opportunities to the people of that region. Their survival depended on the fortunes they accumulated either from forcibly extracting tribute from merchant ships for allowing them to sail within their territory or simply

plundering them. They not only maintained themselves but also offered a part of the booty to the local chiefs. They especially had to guard their interests in view of the fluid political situation in which control of the tiny ports and localities kept shifting from one chief to another. These predatory fleets were also a defence mechanism and a weapon available to protect the chief's interests. In 1790, the Bania *mahajans* (merchant organisation) of Bhavanagar protested against the EIC's agent and brokers buying bullocks and cattle for the Surat market. When the *mahajans* failed to prevail upon the latter, they allegedly persuaded the Kolis to attack the Company's returning fleet.<sup>96</sup>

Although characterised as pirates, these mariners' activities were not simply acts of violence or lawless piracy, but deep-rooted in economic and political processes articulated and expressed through maritime violence. The huge investment in building and maintaining ships, recruiting people and obtaining legitimacy from their nearby chiefs by periodically paying them tribute could be sustained only through the large flow of income that predation ensured. These predators had a network of markets where they sold the ships and merchandise they captured.<sup>97</sup> The economic dimension thus assumes considerable significance.<sup>98</sup> A majority of subaltern groups that toiled on these ships came from poor families and the lure of earning a livelihood in this way was strong. We do not know how exactly the crews were remunerated. They may have been paid a salary like any other maritime worker, but it may not be totally out of the question that they shared in the spoils of the vessels they took. From the profiles of some of the seamen captured by the English towards the end of the century, it appears that they were employed by shipowners to man the vessels and were possibly paid a salary. In many respects their use of violence to further their ends puts them in the same category as the European Companies that depended, to a large degree, on the combination of commerce and military power.

### *Service sector*

The Maratha policy of farming out its share of land revenue to potential entrepreneurs increased the number of intermediaries in Gujarat. This was so because the leaseholders or revenue farmers, being travelling merchants or otherwise unable to be present on the location, delegated their responsibilities to their subordinates. Many enterprising merchants ventured into this field and conducted most of this business through their representatives. When the English took control of the revenue of the interior and worked out the mechanism of collection, Dhanjishah Manjishah showed his eagerness to be appointed head of the revenue.<sup>99</sup> A large

number of people got involved as intermediaries in this process of revenue collection.

How the mid-century political configurations in Gujarat expanded the service sector is best illustrated by the example of Surat. When the English and Marathas claimed a part of the revenue of Surat, they had to reorganise the system. They did not trust the local Mughal administration which had been solely responsible for the management of customs at Surat and so they placed their own representatives with their respective administrative staffs at the custom-house to ensure they received their share of the customs. The *furza* (Mughal custom-house) under the control of the Nawab was managed by a large staff consisting of officers, accountants, clerks, peons, and a large number of ordinary labourers employed to carry out numerous miscellaneous tasks such as opening and weighing the bales and guarding the stores and the city gates. The *darogha-i furza* (superintendent of the Mughal custom-house), the *darogha-i khushki* (superintendent of excise), the *munshi* (accountant), and the *jamadar* (leader of a band of soldiers) were all assisted by a large administrative staff of varying designations. They all received a monthly salary in rupees which varied from person to person in accordance with their position in the hierarchy.

All merchandise belonging to the English merchants or to other merchants under the Company's protection was valued and duties were charged at the *latty* (English custom-house). This meant that the staff that managed the *furza* had to be replicated at the *latty*. In 1796, the total number of local employees of the EIC at the latter place was thirty-two with a total monthly salary of Rs 353.<sup>100</sup> In addition, they had to place a number of employees at the *furza* because the Company was entitled to receive a third of the customs proceeds. In the same year, the number of local employees of the Company at the *furza* was forty-one with a total monthly salary amounting to Rs 258, 2 *annas* and 66 *paisa*.<sup>101</sup> Among the employees were some fairly well-paid clerks and officers such as the *parvu* (local writer or accountant) and inspectors.<sup>102</sup> At the *latty*, for example, the head *parvu*, Hari Chand, had a monthly salary of Rs 45. There were four other *parvus* of whom one received Rs 35, another Rs 25, and the remaining two Rs 15 a month each.<sup>103</sup> The inspector at the *latty*, Manikji Pestonji, received Rs 50 a month as his salary. At the *furza*, Malari Samji, the head *parvu*, had a salary of Rs 41 and Vithoba Pilaji, the second *parvu*, received Rs 25 while the inspector Mian Saheb got Rs 30 a month. Govindbhai, who collected the Company's share of the customs, received Rs 50 a month.

The EIC also employed a number of local people in its various other establishments. The Purser of the Marine employed *parvus*, clerks, sailors and peons to discharge his responsibilities. In 1796, there were at least



twenty-six employees attached to this office with a total monthly salary of Rs 250.<sup>104</sup> The office of the Civil Paymaster and Agent for Building and Repairs employed a number of persons for account keeping and disbursing salaries, an overseer, master carpenters and bricklayers, and a few others to muster workmen and supervise their work and payments. In total there were fourteen persons employed with a total salary of Rs 176 per month. The head *parvu*, Keshav, responsible for writing the accounts, was paid a monthly salary of Rs 40 whereas Dayaram, a *parvu* writing a monthly account, received Rs 30. They were employed on a permanent basis as many of them are reported to have served in their respective capacities for several decades.<sup>105</sup>

The Marathas also placed a number of persons at the *furza* in order to ensure that they received their third of the revenue at Surat. We do not know the strength of the office of the Maratha *chauthia* (collector of *chauth* or revenue) stationed at the *furza*. Apparently it consisted of a staff comprising some accountants, a cashier, and a few peons. Each of the Peshwa's and Gaikwar's *chauthias* also maintained thirty to forty armed soldiers in the city to carry out their responsibilities. The total strength including the servants of the *chauthias* came to about 200 men together.<sup>106</sup> The intermediate social groups such as merchants and scribes as well as the subaltern group, in this case the urban poor, benefited from this triplication of revenue offices as well as the creation of minor offices in other establishments in the second half of the eighteenth century.

### Conclusion

The data presented above indicate the significance of intermediary and subaltern groups in the political economy of Gujarat in the eighteenth century and demonstrate the varying norms and conditions of the labour market. The textile manufacturers were perhaps more privileged than others since they were often in a good bargaining position in view of the large Euro-Asian demand for cotton and textiles. Their relative position in the economy remained by and large unaffected by the changes in the balance of political power in Gujarat. The Maratha State in Gujarat and the erstwhile Mughal State in Surat were not able to intensify control over the economy. The EIC was limited in its ability to pursue any vigorous commercial policy that pushed either merchants or producers into a subordinate position. The commodity and labour markets functioned rather smoothly in Gujarat throughout the eighteenth and early nineteenth centuries.

The data also debunk the notion of artisans' professional immobility, often attributed to the caste system and other ideological factors. While



some castes like the Khattris and Kunbis continued to play a dominant role in Surat's textile industry, new groups took up weaving as their profession. Surat's labour market possessed features of a dynamic market institution with the freedom of employment of labour and fair wages. The market mechanism, by and large, restrained the employers from exerting undue pressure on any category of labour by arbitrarily reducing the wage. The role of intermediaries or brokers continued to be instrumental in the functioning of the labour market. They acted as surety for the payment of wages and ensured fair treatment from the employers. In the case of disputes between sailors' families and the VOC, the *zielverkopers* were often the spokesmen for sailors. Like the system of advances in the textile industry, the intermediaries in the labour market invested their capital in providing means of subsistence to the families from which sailors were recruited.

The smooth functioning of the markets and the relatively higher wages in Gujarat entailed a large flow of income into the society. This in turn contributed to the growth of local demand for consumer goods. In the present state of our knowledge, it is not possible to locate an 'industrious revolution' in eighteenth-century Gujarat. The circumstantial evidence, however, indicates that the activities and services of the groups discussed above and their monetary gains had some implications for the society's consumption behaviour. From the data presented above, it may well be believed that the society of Surat, and probably elsewhere in Gujarat, was vibrant and that, thanks to the widespread circulation of money and an assured income on a permanent or quasi-permanent basis, people's propensity to consume goods like textiles and sugar grew in the second half of the eighteenth century. The large-scale import and sale of these commodities in Gujarat by the Dutch and other European Companies and private traders, as we shall see in Chapters Four and Five, was possible because of the growing demand for these goods and because the market remained open for all merchants and producers. The proliferation of intermediate groups in Surat and possibly in other parts as well was a major development. The large number of petty officials with good salaries together with an even larger number of merchants, entrepreneurs, and revenue farmers formed a social cluster that may be described as an emerging middle class.

It may also be argued that the large amount of money circulating in Gujarat was invested in consumption rather than in state building or state mercantilism and that this distinguishes Gujarat from other parts of the subcontinent where military fiscal states siphoned off a large part of surplus resources in order to improve their coercive powers. In Gujarat, where money flowed through relatively stable market institutions, coercion as a state's instrument to control the economy may have been of less

relevance than in a state like Tipu Sultan's Mysore or British-ruled Bengal. Whereas the state received its share in the form of revenues from land and customs and had its income from the mint, peasants, producers and merchants were freer than elsewhere to reap the benefits of the market, spend their earnings on the consumption of merchandise and invest in new means and forms of production.



### CHAPTER THREE

#### ASIAN MERCHANTS OF GUJARAT AND INDIAN OCEAN TRADE

The continuity in the position of producers and manufacturers in Gujarat's political economy and their assertion of professional autonomy was partly the result of the dominating presence of merchants through whose agency the subaltern groups and the rulers most often negotiated with each other. This does not mean that the merchants' own position was unassailable. Perhaps they were more exposed than others to the hazards of extortion and official importunity. At no time in the region's pre-colonial past is such exposure more evident than in the eighteenth century. In the volatile political climate of this period, merchants were constantly devising strategies and articulating power to maintain their position vis-à-vis the state. During Mughal rule, merchants exerted considerable influence by virtue of their rendering crucial financial services to rulers and officials. With the political ascendancy of the English East India Company (EIC), the dynamic of the engagement between trade and politics changed. What followed was a complex set of developments that, on the one hand, challenged their commercial hold in the western Indian Ocean and, on the other, offered business opportunities and trading advantages. Analysing merchants' responses to the changing situation, which determined the nature of the political economy and their position in it, is by no means simple.

In the past, scholars' attempts to examine the commercial world of Gujarati merchants in the eighteenth century have yielded varied and even divergent interpretations. In Ashin Das Gupta's view, Surat's prosperous world declined in the first half of the century while according to Lakshmi Subramanian and Michelguglielmo Torri, the merchant communities of Surat, in particular the Banias and the Parsis, prospered in the second half.<sup>1</sup> These interpretations are, however, based on the study of one or another constituent of Surat's mercantile community. To better appreciate their economic performance and contribution to the market economy we need to examine all possible arenas in which merchants participated. From the production of goods to their consumption, at almost every stage traders were involved in one way or another. A variety of commercial avenues and an institutional framework available to merchants rendered them versatile and their world dynamic. An analysis of their business accomplishments and failures helps us under-

stand their relative position in the political economy of the period. Such an enquiry also enables us to see to what extent the evidence of Gujarati merchants' commercial activities in the second half of the eighteenth century validates or challenges the views of the aforementioned scholars.

*Merchant communities: family, diaspora, and network*

In early modern Gujarat, as elsewhere, merchants played two distinct yet overlapping roles. As dealers in commodities they traded along the oceanic and overland routes to numerous destinations from the Red Sea to the South China Sea. In this capacity, they were mainly involved in importing and exporting merchandise. As facilitators of trade they rendered services that were crucial to the conduct of wholesale trade. As brokers, their services were most sought after by the European Companies and private merchants for the procurement of exports and the disposal of imports. As money merchants who exchanged coins, lent money on interest or remitted funds, they rendered crucial services to merchants, the Companies, and a host of others including rulers, administrators, revenue farmers, artisans, and manufacturers. While some merchants combined many of these activities in an effort to spread risk, many specialised in a particular branch. There existed, therefore, a relationship of endorsement and mutual benefit among these merchants as well as between them and political and commercial entrepreneurs.

The merchant community of Gujarat comprised people involved in various fields of activity. Some merchants were shipowners, others were freighters, inland traders, bankers, brokers, and suppliers. The range of activities was invariably overlapping and many merchants, especially rich ones, could combine their trading activities with those of banking or brokering.<sup>2</sup> One group of merchants, mostly Banias and Armenians, was engaged in banking, a crucial aspect of early modern Indian Ocean commerce. *Sarrafs* or *sahukars* (moneychangers/moneylenders) facilitated the flow of trade across an array of Indian Ocean regions which used a variety of currencies based on silver, gold and copper, by providing services in minting or exchanging coins and by transmitting funds to different trading destinations.<sup>3</sup> By the early seventeenth century, there was already a great degree of sophistication in banking services and any merchant could avail himself of the facility of transferring money from one place to the other through risk-bearing *hundi* (bill of exchange).<sup>4</sup> Other merchants strictly limited their activities to trade, with varying scales of operation. With low operating costs and content with small margins of profit, inland traders played a vital role in the trading network of the Indian Ocean

by providing essential links between the major trading ports and the interior.

It should be noted that there had been a great deal of professional specialisation since the early seventeenth century and perhaps even earlier. Even though no branch of commerce was the exclusive domain of any particular ethnic group, some professions certainly engaged more people of one group than others. Banias, for instance, controlled the money markets and dominated the credit and exchange networks as well as the brokering profession. Muslim merchants, likewise, held a predominant position in overseas trade and shipping. With their large economic resources and control over markets, these merchant communities as a whole played a dominant role in the political economy of Gujarat.

In the last few decades, the concept of 'diaspora' has been used as a tool of analysis for studying the activities of merchant communities. Borrowing from the anthropologist Abner Cohen, Philip D. Curtin favoured its almost universal application from antiquity to the rise of the modern world, which he describes as the period between 1740 and 1860.<sup>5</sup> As defined by Cohen, the trading diaspora as 'a nation of socially interdependent, but spatially dispersed communities' could be conveniently applied to a variety of trading communities. Most scholars of trading diasporas have emphasised the social, cultural and economic organisation of the community concerned while ignoring the nature and composition of the host societies.<sup>6</sup> Apart from its inner cohesion and the community's ability to maintain social, cultural, and commercial contacts among its spatially dispersed members, the formation of a diaspora is also the function of a dialectical interaction between the group and the host society, and the diaspora is shaped by its response to the challenges from the latter.

The interaction among these merchant groups, each specialising in a certain branch of commerce or having expertise in a particular profession, was dynamic and the extent of mutual interdependence naturally great. In the conduct of trade, every affluent merchant depended on the services of a host of predominantly Bania brokers and bankers. Under stable market conditions, trust and reliability were not necessarily limited to members of the same ethnic group. Because of this, the notion of a culturally defined merchant diaspora as a theoretical framework against which to study the ways in which merchants' commercial organisation was structured loses much of its relevance from the economic point of view.<sup>7</sup> Merchants, however, preferred commercial networks based on intra-community interactions and reliance on communally managed information.<sup>8</sup> All merchants and the European Companies involved in long-distance oceanic trade employed agents to transact business on their behalf at every major trading station along the Indian

Ocean littoral. It was therefore quite logical that kin- and community-based networks would have precedence over others. This was, however, only one side of the coin; in practice the inter-community economic interactions were quite frequent and common as we shall see in the following sections.<sup>9</sup>

The concept of commercial networks is a better analytical tool for understanding the organisational dimensions of long-distance trade.<sup>10</sup> This was a crucial institutional factor behind the long-term commercial success of Asian merchants. Families were, however, the basic units of operation and the network was built by incorporating members of the extended family as well as people from outside the circuits of ethnic, religious or regional community. Unfortunately, our knowledge of familial initiatives, kinship patterns, organisational strategy, succession, and many other aspects of these networks is rather limited. A close reading of the sources, however, yields interesting information about how these contributed to merchants' commercial accomplishments. Institutions such as family, marriage, agency, inheritance, and adoption were deep-rooted in early modern Gujarat and played important roles in ensuring the inter-generational transmission of mercantile wealth.<sup>11</sup> Even under relatively uncongenial political circumstances in the early eighteenth century, the continuity of these institutions helped merchants overcome difficulties and preserve mercantile wealth and property within the family. The commercial success of some merchant families of Surat in the second half of the eighteenth century best illustrates this dynamic. Let us now turn our attention to the nature and scale of familial enterprise in Gujarat in the second half of the eighteenth century.

### *Some prominent merchants and shipowners of Surat*

In the late eighteenth century, the merchant families of Rudraram Raidas, Mancherji Khurshedji, Mulla Fakhruddin, Jagannath Laldas Parekh, and Saleh Chalebi were among the most celebrated in Surat. This was because of their large commercial fortunes and the social status and authority they enjoyed. The family of Rudraram Raidas who served the Dutch East India Company (VOC) as broker between 1727 and 1762, experienced great historical longevity.<sup>12</sup> Raidas was a member of the fourth generation of his family to hold this office.<sup>13</sup> Since the European Companies entrusted the office of broker to a merchant of credit and capital, the family's hold on this position testifies to its affluence and potential command over an extensive network of merchants and brokers. Once they began to occupy this position, the family's fortunes spiralled upward.<sup>14</sup> Our knowledge of the totality of the family's commercial enterprise is limited to what we

know from Dutch records, namely that Rudraram Raidas bought merchandise from the Company and disposed of it to other merchants. Since he had to share the enterprise with his co-brokers Kishordas Wanmalidas and, after the latter's death in 1749, Mancherji Khurshedji, we have a great deal of information about their joint trading ventures. After Raidas's death in 1762, the Company confirmed the appointment of his son Govindram Rudraram as broker, a position he held until the mid-1780s.<sup>15</sup> Rudraram died while the Company's trading activities were suspended during the Fourth Anglo-Dutch War. In 1784, when the Company resumed its commerce the Dutch appointed his son, Premshankar Govindram, as one of their three brokers, although unlike his predecessors he was not usually the principal buyer of Dutch imports. In 1786, the three brokers Lala Ramnarain Shivnarain, Tarachand Nagardas, and Premshankar Govindram bought merchandise from the Company.<sup>16</sup> In subsequent years, other merchants of Surat bought the Company's imports.<sup>17</sup>

When Surat was gripped by a wave of political crises in the late 1740s, Mancherji Khurshedji, a Parsi merchant, sought protection from the VOC in 1748; this was eventually granted and soon thereafter he became the Company's broker.<sup>18</sup> By the time of his appointment, it may be presumed, Mancherji was already a man of considerable fortunes. While his co-broker was mainly involved in inland trade, Mancherji built his fortunes by investing in shipping and overseas trade.<sup>19</sup> From 1750 until his death in the early 1780s, Mancherji played a crucial role in the Company's sale of imports and carried on his shipping and overseas trading activities on a large scale. Like some of his predecessors in Surat, Mancherji invested considerable personal effort, and possibly money, to build connections with the people in the upper echelons of Surat's political hierarchy and he exerted a degree of influence in the city. This seems to have helped him negotiate the terms of his relationship with the VOC. After the English takeover of Surat Castle in 1759, his political adversaries came to exercise power, a fact that had some implications for his commercial career which came under threat from various directions.<sup>20</sup> He did not, however, succumb to this; his trade continued flourishing even after the so-called Castle Revolution. Mancherji owned many ships that plied between Surat and the Red Sea, the Persian Gulf, Siam, and other destinations along the Indian Ocean rim. Two of his ships were engaged mainly in voyages to Siam and Batavia and carried freight for others in addition to his own goods.<sup>21</sup> Another ship called the *Mubarak Faizrasan* sailed between Surat and the ports of the Persian Gulf and the Red Sea.<sup>22</sup> Still other ships were used in coastal navigation, chiefly on routes connecting Surat with Bhavanagar on the western side of the Gulf of Cambay, and Thatta and Sind to the northwest of the Gulf of Kachh.



These, too, carried his own goods as well as those belonging to other Surat merchants.<sup>23</sup>

Making good use of the available infrastructure and exerting political influence, the brokers of the VOC, Mancherji and Rudram Raidas, carried on and expanded their enterprise with a great deal of success. Mancherji in particular exercised a near-monopsonistic power over the purchase of the Company's imports. It was alleged by the Dutch authorities that he prevented other merchants from bidding for merchandise at the public auctions. Although the terms of the contracts stipulated a definite time frame within which goods had to be collected from the Dutch warehouses and payments to be made, the brokers did not necessarily comply with these requirements. In the late 1760s, they became indebted to the Company as they could not pay for the goods in time. To Mancherji, the mounting debt was not a major worry; rather it became a source of expression of his powers. Until his death in the early 1780s, he and Govindram Rudram contracted to buy merchandise from the Company.<sup>24</sup> A concatenation of unwelcome developments—notably the Anglo-Maratha wars in the 1770s, which gripped a large part of Gujarat and the south-western Deccan plateau, and the Fourth Anglo-Dutch War of 1781–4—created uncongenial circumstances for even the most powerful merchants. It became increasingly difficult for them to maintain the same scale of commercial activities as before. Mancherji gradually lost some of his ships and his trading empire began to decline. Whereas Premshankar Govindram succeeded his father in 1785, Mancherji's adopted son, Bahmanji Kowasji, could not get to the cherished position of broker despite all his efforts.<sup>25</sup>

Mancherji's is the best example of a category of merchant families whose members were eager to maintain the family fortunes through different means. His brother, Kowasji Khurshedji, was under English protection while his second brother was a merchant who did not seek protection from any of the European Companies and rather depended on the local government's support (*inlandse protectie*)—apparently a survival tactic that achieved the same end through different but complementary business methods. Apparently the Khurshedji brothers pursued independent businesses and each was therefore free to choose his sphere of activities and protector. We know little of the extent of the brothers' commercial activities and mutual cooperation or competition. Yet theirs seems to represent a typical example of how extended families spread risk, with each nuclear family assuming an economic role of its own. Mancherji, having no male issue, adopted Bahmanji Kowasji, his nephew and son of Kowasji Khurshedji, as his heir-apparent. During his lifetime, he launched Bahmanji as his successor and a future broker of the VOC. The latter learnt Dutch in order to carry out his responsibilities more

effectively and to negotiate with the authorities with greater ease and confidence.<sup>26</sup> Several factors, however, worked against him: the family's mounting debt—to the value of about Rs 600,000—and the consequent loss of face and credentials; the fact that he was the son of a merchant under English protection; and above all rivals for the position of broker to the Dutch. The latter, possessing large capital, were more promising to the Dutch than Bahmanji.<sup>27</sup> The pressure from the creditors who, with the connivance of the English authorities were bent upon recovering their money, forced Bahmanji to retire to Ceylon, leaving his brother as his representative and caretaker of the property of the deceased Mancherji. From circumstantial evidence, it seems that Mancherji did not bequeath much wealth.<sup>28</sup> His widow later had to seek Dutch intervention in persuading Bahmanji Kowasji to provide means of subsistence to her.<sup>29</sup> Bahmanji returned to Surat in the 1790s and, to an extent, revived the family business. It seems that the trading empires of the family had shrunk considerably, and it is difficult to form any clear idea about the fate and fortunes of the family after the dissolution of the VOC in 1795.

These brokers set a great example of partnership trade that opens up avenues for us to understand the merchants' commercial world. The cordial working relationship between the Rudrarams and Mancherji Khurshedji and their extended business partnership shows the fallacy of the commercial rivalry and mutual hostility of the Bania and Parsi sects.<sup>30</sup> The episodic rivalry between the house of Rustam Manakji and that of Bhimji Parekh for the coveted position of the EIC's broker should not be interpreted as an outcome of an inherent hostility between the two communities. The scale and scope of interfaith business relationships in the Islamic world have been debated among scholars. Whereas in some commercial cities of the Red Sea and the Persian Gulf instances of such partnerships are rather limited, this does not seem to be the case in Mughal India.<sup>31</sup> Although some European contemporaries had formed the idea of interfaith incompatibility because of caste- and community-specific professions, commercial interests apparently transcended religious and sectarian barriers. By the late eighteenth century, the boundaries that had distinguished professions along caste and community lines became rather fuzzy and more and more people traversed them. Even a cursory look at the lists of merchants appended to the complaints and petitions made to the higher authorities in Surat and Bombay demonstrates this.<sup>32</sup> On account of a degree of professional specialisation referred to earlier, inter-community trust and reliance and actual trading partnerships were not unusual. The long-term trade partnership between Mancherji and Rudraram and the latter's son, Govindram, is just one example. There are references to trading partnerships and even to ships jointly owned by Hindu and Muslim merchants in south-eastern India.<sup>33</sup>

The evidence of interfaith complementarities lends support to the argument forwarded in the beginning of this chapter that communities and diasporas were of less relevance to merchants from an economic point of view. It is not my contention, however, that inter-sectarian alliances completely undermined sectarian loyalties. What is proposed, rather, is that a merchant's community or caste identity gave him the latitude to play different roles without causing a clash with or damage to the interests of the community as such. The commercial world of many other prominent merchants of the city also demonstrates these dynamics.

Mulla Fakhruddin was a prominent merchant and owner of several ships that sailed from Surat to all major destinations like Mokha, Jeddah, Basra, Bengal, the Malay Coast, Pegu, and China. Coming from a family that had dominated the commercial world of Surat in the late seventeenth and early eighteenth centuries and whose members had earned the title of *umdat-ut tujjar* (pillar of merchants), Mulla Fakhruddin continued the family business in the late eighteenth century, although in terms of wealth he stood nowhere in comparison to his great-grandfather, Abdul Ghafur.<sup>34</sup> Perhaps like the other members of his family, Mulla Fakhruddin's father Mulla Mohammad Ali was a portfolio entrepreneur, since he not only exerted his political influence in the 1720s and early 1730s, when he recruited two to three thousand soldiers and fought the Governor of Surat, Bahram Khan, but also proposed the name of his son Mulla Fakhruddin to the imperial authorities for the governorship of Surat.<sup>35</sup> This backfired, however, and Tegh Beg Khan, who entertained high ambitions to assume this position, apprehending Mulla Mohammad Ali's intentions, had him imprisoned and murdered in 1732/3.<sup>36</sup> His sons Mulla Fakhruddin and Mulla Aminuddin struggled to safeguard their family property, which was exposed to official importunity. They nevertheless steered the family out of trouble and carried on their commerce. In the book of passes issued by the VOC to Surat ships in the early eighteenth century, a few ships are recorded as under the joint ownership of Mulla Fakhruddin and Mulla Aminuddin.<sup>37</sup> In 1738, Mulla Fakhruddin managed to secure from the Mughal Emperor Mohammad Shah an exemption from customs duties on the export of goods to the value of Rs 200,000, a privilege only few merchants of Surat enjoyed.<sup>38</sup> Later, Fakhruddin had to leave Surat for Bombay from where he retired to the Deccan.<sup>39</sup> In the late 1740s, he entered into partnership with the English Governor of Bombay, William Wake, and soon built up his fortunes. He returned to Surat during the so-called Civil War (1748–52) and soon emerged as one of the richest merchants of the city.<sup>40</sup>

By the second half of the eighteenth century, Mulla Fakhruddin was thus a commercial magnate to be reckoned with. His credentials as an affluent merchant were well-established and he was held in high esteem

at Surat.<sup>41</sup> His ships sailed to different Indian Ocean destinations with his own merchandise as well as freight goods. His ship called *Fath-i Nusrat* sailed east to Bengal and the Malay Coast, while his other ships reportedly plied the Surat–Mokha/Jeddah run.<sup>42</sup> After his death in the early 1790s, his two sons, Mulla Waliuddin and Mulla Abdul Fath, continued the family business jointly.<sup>43</sup> In 1795, the Nawab proposed abolishing the tax exemption apparently because the government suspected that the grantee misused this privilege by exporting and importing goods belonging to other merchants.<sup>44</sup> Such accusations were simply a pretext for withdrawing the exemptions earlier granted to some prominent merchants of the city. Nonetheless, it appears from English reports that the family fortunes declined so far that in 1795 Mulla Abdul Fath was spoken of as having hardly any commercial dealings.<sup>45</sup> In 1796, a family dispute arose when Mulla Waliuddin requested the English Chief of Surat to persuade the Nawab to continue with the exemption and to separate his share from that of his brother, a proposition with which Abdul Fath was not ready to comply.<sup>46</sup> Securing it in two shares might have been the family's strategy to retain this privilege. The outcome of these petitions is not known, but the loss of the exemption would have been a substantial loss of incentives to the family and might have adversely affected its fortunes.

Some merchants of Turkish origin like Mohammad Chalebi, Saleh Chalebi, Usman Chalebi, Abdul Qadir Chalebi, Salim Baghdadi, and Tahar Chalebi owned ships that sailed mainly to Mokha, Jeddah, Basra, Masqat, but also occasionally to Cochin and Bengal.<sup>47</sup> Of these, Saleh Chalebi was the richest and one of the principal merchants of Surat.<sup>48</sup> Being the owner of several ships, he had obtained a Mughal *farman* (imperial order) that entitled him to use his own flag on his ships. He was the owner of the *Ganjawar*, the famous ship which, according to the Dutch traveller J. S. Stavorinus, was carried down the river by a sudden and violent influx of water and dashed to pieces in 1774–5 after more than a hundred years in service.<sup>49</sup> In 1774, his ship the *Istanbul* sailed to Bengal and returned to Surat with a cargo of rice and silk.<sup>50</sup> His other ship, the *Faiz Alam*, sailed to China in 1790.<sup>51</sup> His ships never hoisted any European flag, but he always took passes from the English and the Dutch to obviate any difficulty. In 1780, the *Istanbul* sailed from Surat to Basra via Masqat with a cargo of piece-goods. When intercepted by the English, the *nakhuda* (captain) was asked if he had an English pass and replied that he had one and that he was not obliged to hoist the English flag as he was not under English protection; and, furthermore, he had French and Dutch passes as well.<sup>52</sup> Saleh Chalebi's *Fath-i Ilahi* and *Sulaiman Shah* are referred to as sailing to Basra and China respectively under his own flag.<sup>53</sup> Whereas his ships were mainly engaged in freight services, he also exported goods, especially cotton and textiles, to different Indian Ocean

markets. That he had an exemption of Rs 2,500 as customs on goods worth Rs 100,000 suggests that his trading enterprise was considerable.<sup>54</sup>

Ships belonging to several other merchants of Turkish origin sailed in the western Indian Ocean throughout the period under consideration. Tahar Chalebi's ships, the *Faiz Qadri*, *Faiz Subhani*, and *Faiz Khudai*, usually sailed between Surat and Basra as well as between Surat and Jeddah.<sup>55</sup> The *Shah Alam* belonging to Ibrahim Chalebi sailed between Surat and Mokha or Basra.<sup>56</sup> In 1783, it was captured by an English warship commanded by Edward Hughes, and the Dutch Director had to intercede for its restitution on behalf of its owner, the senders of respondentia, and the insurers.<sup>57</sup> The Nawabs of Surat, Mir Hafizuddin Ahmad Khan (1763–90) and his son Mir Nizamuddin Ahmad Khan (1790–9), also owned ships which sailed to the ports of Mokha, Jeddah, and Basra. At least four ships belonging to the family, the *Haidar Bakhsh*, *Khuda Bakhsh*, *Faiz Rasool*, and a *ghurab* (vessel), are mentioned in the shipping lists as sailing to Basra and Mokha/Jeddah in the 1790s.<sup>58</sup> Among other ship-owning merchant families, mention may be made of Manik Dada, the *modi* (caretaker) of the VOC, Dhanjishah Manjishah and Dadabhai Manikji under English protection, and Shaikh Mahmud, a Bohra merchant. Their ships sailed to Mokha, Jeddah, Basra and Gombroon (Bandar Abbas) in the west and to Bengal in the east.<sup>59</sup> A number of ships belonging to the Parsi merchants under English protection such as those belonging to Hirji Readymoney, Mancher Readymoney, and others sailed from and anchored at Bombay.<sup>60</sup>

### *Petty shipowners and freighters*

The large number of merchants owning smaller vessels like *ghurabs*, *dingis*, *haoris*, and *batilas* used in the short-distance coastal traffic, go largely unnoticed in contemporary accounts. The number of such vessels engaged in coastal and river traffic was much higher than those in the high-seas trade. Running along different arteries linking Surat with the production centres, they played a crucial role in maintaining the supply of commodities and provisions to Surat and in the distribution of imported goods to the interior. Many merchants of some substance with a maritime orientation preferred to have at least one such vessel and some owned many. A Parsi merchant, Rustam Jessu, owned several small vessels and probably rented them out to the English or otherwise put them on freight to other merchants if his own cargo was not sufficient to fill the tonnage.<sup>61</sup> Among other owners of small vessels, we find reference to Govardhan Jiwan (the *Dualy*), Naurozji Nanabhai (*Ruparel*), Haritrimbak Moroji (*Ruparel*), and Jannashah Ratanshah (*Faiz Bakhsh*). These vessels

were mainly deployed in coastal transportation and normally sailed in convoys led by a European Company ship and with men and ammunition to protect the vessels from pirates.

The north- and southbound convoys connected Surat with Broach, Cambay, Bhavanagar, Kachh, and Sind in the north, and to Bombay, and further south to the Malabar Coast and possibly even around the subcontinent and up to Bengal. In 1776, the Dutch Director at Surat, W. J. van de Graaff, reported that around 120 vessels were hit and damaged by a storm.<sup>62</sup> This testifies to the fact that Surat still harboured a considerable number of low-tonnage vessels. From the numbers of such vessels departing and arriving at Surat, as recorded in the English factory records, it appears that the port's mercantile fleet was quite large in the late eighteenth century.<sup>63</sup> In view of the nautical hazards in the Gulf of Cambay and for reasons of safety, it was in the interest of shipowners to solicit the protection of or to entrust their vessels to the EIC, which in any case needed them for conveying goods to various destinations. The Europeans often hired private ships not only for local coastal transportation but also for high-sea voyages.<sup>64</sup> When their own ships were delayed and if the situation so demanded, the Dutch authorities at Surat would despatch Europe-bound goods to Ceylon on hired ships. The rent, in all cases, was determined in accordance with the risks involved in the proposed voyage. The cargo, the time, and other requirements of the ships were clearly laid down in the contracts.<sup>65</sup> Such small vessels could also be hired by merchants who needed them for commercial voyages overseas. In 1749, a merchant of Surat, Aminuddin, put his small vessel, the *Dolla* with a capacity of a little more than five *candies* on rent for a period of four months and five days to a Jewish merchant, Joseph Cobain, against the payment of 1,301 Surat silver rupees.<sup>66</sup> The agreement was put on paper as a formal contract signed by both parties.

The activities of the merchants of Surat who were also shipowners, discussed above, testify to the commercial vitality of Gujarat in the second half of the eighteenth century. Their involvement in different enterprises shows that the region's commerce revived rapidly after sustaining a major blow in the second quarter of the eighteenth century. While the owners of the ocean-going ships at Surat continued to undertake commercial voyages along almost all major oceanic routes, there were numerous merchants who owned small vessels and boats that mainly plied the coastal waters of western India. The share of these shipowners in the transaction of merchandise across the Indian Ocean even though large was only a small proportion of the total; the largest contribution was made by a multitude of merchants who freighted their goods to all coastal and high-seas destinations.<sup>67</sup> While trading on their own, shipowners were also facilitators and service providers to a host of other traders. It was the latter's

large-scale participation in maritime trade that kept the ships sailing. To these freighters and merchants transacting business overseas, we now turn our attention.

For one reason or another, historians of maritime trade have by and large ignored this important dimension and have instead focussed on the number of ships and their owners. It should be noted that it was this section of non-ship-owning merchants who freighted their merchandise to numerous overseas destinations that not only kept the wheels of trade rotating even under uncongenial circumstances but also retained the balance of trade much in their favour until at least the early nineteenth century. Because of their sheer size and strength as well as their social circumstances—close interaction with producers and manufacturers, money merchants and brokers—they were never reduced to insignificance by any Asian ship-owning merchants or European Companies. They had no difficulty in accessing markets that, as I have argued before, remained fairly competitive and they had rather more flexibility than others in their choice of markets, merchandise and prices. These factors contributed to the historical longevity of their dominant presence in Indian Ocean commerce. Even in the eighteenth century, the best the EIC could do with all its political and military powers was to extract income from this trade by taxing it and controlling the management of freight services. As we shall see later, these merchants did not succumb to such hazards, resisted them and, very often considering them as little more than minor irritants, remained engaged in their commercial pursuits. Certain institutional factors and, above all, characteristic resilience played a significant role in the degree of commercial success these merchants achieved in the eighteenth century.

Freighters were innumerable in Surat and all other parts of Gujarat and they followed ships sailing to all oceanic destinations. West Asia undoubtedly received the largest proportion of merchandise exported by merchants other than European Companies from Gujarat at all times. This is evident from the number of ships that sailed every year to the Red Sea and the Persian Gulf ports and from the customs records of Surat. This category was composed of merchants of all ethnic backgrounds, but Muslims seem to have been more numerous than others. In so far as we can make out from lists of merchants freight-ing goods between Surat and the ports of the Red Sea and the Persian Gulf, an overwhelming majority was Muslim.<sup>68</sup> The social composition of this group of merchants seems to have changed gradually in Gujarat in the course of the eighteenth century. At some other port cities, like Mandvi or Cambay, Muslim predominance among merchants freight-ing goods to West Asian markets is less easily discerned.<sup>69</sup> The composition of freighters on the westbound trade with East Africa and southbound trade



with the ports in the Bay of Bengal, the Malay–Indonesian Archipelago and the South China Sea was perhaps more heterogeneous than that bound for West Asia. Apart from Muslims, a large number of Armenians, Banias, and Parsis participated in Gujarat's flourishing trade to these destinations.

Surat's trade with the East African Coast continued on a considerable scale and expanded in the late eighteenth century. Merchants fitted out ships of smaller tonnage for Zanzibar, Mozambique and other ports to exchange textiles for ivory.<sup>70</sup> The rise of the 'Omani commercial empire' under the al-Busaidis in the second half of the eighteenth century, accompanied by a 'commercial renaissance' on the Swahili coast, inspired confidence among merchants and created an atmosphere conducive to trade between Gujarat, the Omani port of Masqat, and the East African ports.<sup>71</sup> The Arab merchants of Oman kept for themselves a major share in the commercial boom by dominating the lucrative trade between Gujarat and the Persian Gulf and became actively involved in the exchanges of African ivory for Indian textiles.<sup>72</sup> Merchants of Gujarat also took advantage of this development and took an active part in this branch of trade. Masqat became an important commercial mart for the merchants of Gujarat and many of them even settled there and carried on trade between Gujarat and the Persian Gulf. The Parsi merchants of Gujarat Bhimji Hirji and Mowji Rowji were settled at Masqat and conducted trade through agents living in Bombay, Surat, and many other places. Merchants based at Surat also maintained trade links with the East African Coast. In 1795, some elephant tusks were brought from Zanzibar to Surat on account of Bhimji Chandu.<sup>73</sup> The Gulf of Kachh possibly engrossed the largest share in the trade with East Africa during this period.<sup>74</sup> This we discern from the fact that most Indian merchants at Zanzibar were from Kachh and Sind and that in the early decades of the nineteenth century Indian trade with East Africa was predominantly carried on from Kachh.<sup>75</sup>

Gujarati merchants had a major share in Surat's southbound commercial traffic. Bengal in particular was an important component of Gujarat's subcontinental trade. For a long time, there had been some complementarities between Surat, which required raw silk and piece-goods, and Bengal, which needed cotton from Gujarat.<sup>76</sup> A considerable trade was carried on between the two regions as can be gauged from the account of merchandise imported from Bengal at the English custom-house at Surat between 1730/1 and 1788/9.<sup>77</sup> A number of merchant ships in the list of vessels importing goods from Bengal can be identified as belonging to merchants of Surat and Bengal.<sup>78</sup> A large proportion of this trade was conducted by merchants freighting goods from one place to another. Whereas many merchants personally travelled with their cargo, as was the case with some Armenians, others conducted their business through



agents at the other place. Most of the merchants engaged in this branch of commerce were under English protection. Such merchants availed themselves of the freight and convoy facilities and paid a convoy duty of 1 per cent.<sup>79</sup> The so-called 'Mughal' merchants, too, seem to have taken advantage of these facilities but paid customs on the imports at the *furza* (Mughal custom-house). This lucrative branch of trade dwindled in the last quarter of the century, as it appears from the account of the Surat-Bengal trade mentioned above. This reduction may be attributed to two major factors, namely expanding cotton cultivation in Bengal and the English policy of demanding 6 per cent import duties at Bombay on all Bengal goods destined for Surat.<sup>80</sup>

Further east, Surat's merchants conducted trade ventures to a number of ports in the Malay-Indonesian Archipelago and the South China Sea. Many Surat ships belonging to Parsis, Chalebis, and Bohras sailed to the Malay Coast, Pegu, and up to Canton (Guangzhou) in China.<sup>81</sup> These provided freight services to merchants willing to trade along these coasts. The English took great interest in the highly profitable trade between Surat and China and often carried freight on their ships. As the paucity of funds did not allow the Company to export cotton and other goods to China on its own account, English private traders were the ultimate beneficiaries of this booming business. From some references to freight contracts it appears that Indian merchants took an active part in freighting their cotton to China on English ships. In 1788, a Parsi merchant at Bombay, Dada Nausherwanji, consigned a cargo of cotton on an English ship called *Minerva*, to his agent at Canton by paying a freight of 50 rupees per Surat *candy*.<sup>82</sup> In 1789, Mohammad Husain contracted to freight 794 bales of cotton (400 Surat *candies*), at the rate of Rs 90 per *candy* on condition that the freight money would be paid sixty days after the arrival of the ship at Canton and that the Company would bear the charges of packing and screwing the cotton.<sup>83</sup> The rates varied according to the condition stipulated in the contract. As can be seen in the two contracts mentioned above, the first contractor agreed to provide 6,000 *taels* to the Company's treasury at Canton (possibly an interest-free loan) apart from the freight money, whereas the other had the liberty to pay it after a period of two months. The Dutch claimed a freighters' preference for their ships over those of the English in the same way as the latter flattered themselves by claiming the same for their ships.<sup>84</sup> Despite all efforts to induce merchants to opt for English ships, freight goods were still available to all other shipowners in Gujarat.

A number of merchant ships also sailed from the Gulf of Kachh to West Asian ports carrying cargoes of freight. This traffic between Kachh and Mokha, Jeddah, Basra, and Masqat was quite significant and sometimes even frustrated the commercial designs of the European

Companies. In 1753, the arrival of at least twenty-five ships from Kachh at Mokha impeded Dutch efforts to acquire gold ducats because of allegedly indiscriminate buying of this specie by Kachhi merchants.<sup>85</sup> Annual shipping and freighting from Kachh to West Asian ports continued and attracted merchants and merchandise from other parts of peninsular Gujarat such as Porbandar and Navanagar. In 1759, the Dutch carried out an expedition in the Gulf of Kachh and took possession of a vessel returning from Mokha with a cargo mainly consisting of the proceeds from sales there.<sup>86</sup> A petition signed by twenty merchants demanding restitution of the vessel and goods belonging to them was made to the Raja of Kachh and conveyed to the Dutch authorities.<sup>87</sup> Shipping and freighting by the merchants of Kachh all along the Malabar Coast reportedly grew in the second half of the eighteenth century.<sup>88</sup>

The port of Cambay was also a centre for merchants and their vessels. Victims of an uncongenial political climate in the early eighteenth century, Cambay merchants nevertheless continued to engage in coastal trade connecting their town to ports along the Kathiawar peninsula and the Gulf of Kachh, and Surat. A number of merchants had trade connections with West Asian ports as well. Cambay merchants and their merchandise constituted an important element of the annual fleets from Surat to Mokha/Jeddah and Basra. The Anglo-Dutch competition to secure freight goods for their respective ships sometimes worked to the advantage of merchant freighters. In 1752, exactly for this reason and also at the request of merchants, the Dutch authorities at Surat had to send a ship to Cambay to bring freight from there to be conveyed to West Asia.<sup>89</sup> The ruling family of Cambay also owned ships and, as alleged by English officials, the Nawab used his powers to procure the most advantageous freight.<sup>90</sup> Ports like Bhavanagar, Gogha, and others on the Kathiawar peninsula attracted trade and traders largely on account of Kathiawar being a cotton-producing region. Bhavanagar became a major entrepôt in northern Gujarat from where Surat's northbound goods found their way to the interior.<sup>91</sup>

Merchants of Gujarat freighted their goods to West Asia, Bengal, the Malay-Indonesian Archipelago, Siam, and China. Unfortunately, the freight rates at which goods were carried to all these places are not known. The rates depended on the routes taken, the amount of risk involved during the trip and, of course, on the mutual bargain. For Mokha, the Dutch in 1751 charged Rs 125 per hundred *corgis* of textiles and Rs 55 per *candy* of cotton yarn.<sup>92</sup> The rates also depended on the availability of goods, the number of ships intended for the destination concerned, and the circumstances prevailing at the other end. In 1753, the English fitted out three ships for Mokha and the rate was as low as Rs 105 per hundred *corgis*.<sup>93</sup> In 1759, the rate for the ship the *Harcourt*, intended for Mokha,

was fixed at Rs 120 per hundred *corgis* of merchandise.<sup>94</sup> Apparently the merchants trading to Mokha benefited from competition amongst shipowners, but we do not have the rates available over the years to see the extent to which freight rates were influenced by this competition. Since a great deal of risk was involved in high-seas voyages due to the potential for losing ships and merchandise, traders devised mechanisms to ensure security and safety for investors. Respondentia and bottomry were two major forms of insured maritime investment. But before discussing these mechanisms let us first examine some basic institutions that contributed to the temporal continuity of the Indian Ocean merchants' trading world.

### *Institutional dynamics of trade*

#### *The network: agents and intermediary merchants*

Institutions that facilitated trade, especially the long-distance trade, include network, commercial and financial intermediation, and mechanisms of pooling resources such as partnership, bottomry and respondentia. The extensive commerce all along the Indian Ocean was carried on through networks of merchants and agents. Every merchant whether shipowner or freighter had to have his agents at various ports and places to take care of the merchandise, dispose of them, and find out means to transfer the sale proceeds, or if so desired, arrange for a return cargo. A human web of spatially dispersed commissioned agents and business partners, brokers and sub-brokers, and merchant clients constituted the network. All merchants having diverse commercial engagements managed their extensive operations through such a network of trusted and reliable agents at different destinations. Our knowledge of Surat merchants' agents at other ports and the nature and composition of their networks are limited but what we certainly know from the information scattered in our sources is that every merchant had a correspondent or agent placed at the other end. The Bohras, the Parsis, and all other merchants with multidimensional enterprises depended upon such networks formed preferably but not necessarily of a close group of persons belonging to the same family, clan or community. That the Armenian merchants of Surat had their representatives in China from their own community, or that the Parsi merchants Dadabhai and Edul Dada, the two contractors for the English investment for much of the 1760s and 1770s, depended for the actual procurement of goods on Rustam Jessu, a Parsi, is as evident as the dependence of Mancherji Khurshedji on his Bania merchants and brokers.<sup>95</sup>

The Parsi supplier of the VOC, Kallabhai Sorabji, had a Parsi merchant Kowasji Bahmanji as his agent at Broach engaged in procuring cotton and other piece-goods.<sup>96</sup> On the other hand, Bhimji Hirji and Mowji Rowji, the Parsi merchants of Masqat, had Raghunath Nandu, a Bania, as their agent to take care of the *dhow*s and *dingis* that arrived at Surat, and to look after their business.<sup>97</sup> When bankrupt, Raghunath was finally replaced by a Parsi, Manikji Pestonji. The chief consideration in Pestonji's appointment as agent was the fact that he was under English protection and the benefactor's goods could be imported and exported through the *latty* (English custom-house).<sup>98</sup> Most freighters to West Asian ports had their own agents at those places whose identity is unknown to us. Mancherji Khurshedji and numerous other merchants had representatives everywhere to take care of their business. Since many ships and merchants from West Asia visited Gujarat to procure goods, mainly cotton textiles, they relied on Surat merchants to serve as their agents.<sup>99</sup> There existed a complex network of merchants where trust and reliance in business matters recognised no caste or community boundaries. Abdullah ibn Yusuf, a Jewish merchant of Basra, retained his co-religionist Ishaq Daud as his agent at Surat while at the same time he acted as a commercial agent of Tipu Sultan, the Muslim ruler of Mysore, in Basra.<sup>100</sup>

Most merchants and agents procured textiles and other merchandise for export through brokers by either advancing money to producers or on-the-spot buying in the market.<sup>101</sup> The European Companies' records are replete with references to both practices. The funds for investment in Gujarat were raised in many ways, but the large inflow of silver from West Asia as sale proceeds was used for this purpose. The initial funds could also be raised in Gujarat by resorting to the money market or borrowing from lenders of respondentia loans, and it seems that merchants had recourse to both.

Those trading with West Asia thus availed themselves of the opportunities presented by the European Companies, which sometimes extended respondentia loans.<sup>102</sup> This enabled freighters to raise initial capital for investment. In 1759, the EIC at Surat extended such loans to freighters to the value of Rs 200,000 on the ship the *Harcourt* intended for Mokha.<sup>103</sup> This enabled them to buy export goods and send them to Mokha at a freight charge of Rs 120 per hundred *corgis* of goods. They also agreed to pay the principal amount at Mokha at the rate of 55.5 Spanish dollars per 100 rupees. The freighters issued bonds to the Company to the value of 111,000 Spanish dollars full weight on their representatives at Mokha.<sup>104</sup> The merchants freighting goods to Mokha were again predominantly Muslims. Out of forty-one merchants receiving the loans, thirty-eight were Muslims, and judging from their names, many of these were of Arab or Turkish origin.<sup>105</sup> That they issued bonds

in favour of the Company on their agents at Mokha illustrates the kind of arrangements they had for the conduct of overseas trade. The English provided such loans whenever they were short of capital for investment at Mokha. In 1784, the merchants of Surat trading to Mokha declined to supply money on bills either at Bombay or Surat thus forcing the English to lend the amount they received in freight charges as respondentia loans to Surat merchants.<sup>106</sup> Moreover, these loans also served to ensure for the Company substantial freight money as well as the advantages of favourable exchange between Surat rupees and Spanish dollars needed for investment at Mokha. For merchants such arrangements implied freedom from the worry of raising initial capital, arranging cargo space, unfavourable market conditions at Mokha and fluctuating prices. The Company would take every care that the cargo safely reached the Mokha agents upon whom they depended.

A respondentia arrangement helped merchants raise capital for investment against a future repayment at the stipulated rate, the goods being the surety for the loans. Bottomry was a form of investment by those who possessed money and were prepared to lend on interest to the owner or the captain of a ship undertaking a commercial journey. The shipowner thus raised money, on the surety of his ship, to buy whatever goods he deemed fit for sale at his intended destination. On the successful completion of the voyage, the sum lent was repaid with interest to the lender's correspondent at the destination. Dutch officials at Surat sometimes extended bottomry loans to Dutch captains of ships sailing to Batavia.<sup>107</sup> There does not seem to have been any standard interest rate for such loans. It rather varied from one arrangement to the other depending upon the credentials of the borrower, the amount of risk and time involved in the intended voyage. In 1749, the rate at which Mancherji Khurshedji and Lala Shivnarain invested money in the ship *De Hoop* going to Barava Patta and Mombasa was 15.25 per cent for the voyage that extended over a period of four months.<sup>108</sup> In 1760, the interest rate on bottomry loans on ships going to Batavia was 7 per cent while in 1790 it was 9 per cent per voyage.<sup>109</sup> We do not have evidence to show whether there were also provisions to insure merchandise sent on a ship by paying a certain premium to the shipowner. This would have been possible through respondentia arrangements. Keeping in mind the normal interest rate of 0.75 per cent per month on ordinary loans, the interests on bottomry and respondentia loans were higher because the creditors bore the risk of losing their investment if the ship or merchandise did not reach the destination safely. However they were sure to get the capital and the interest agreed upon irrespective of the market conditions at the destined port. In cases where the shipowners lent money to merchants, as in the abovementioned respondentia loans, the merchants had to bear the risk. By issuing

bonds to the Company, merchants committed themselves to paying an amount corresponding to the total of the principal amount and interest, at Mokha or elsewhere, irrespective of the actual profits generated by the sales.

Sometimes, the European Companies needed specific currencies for investment elsewhere, as when they needed gold ducats from West Asia for the procurement of pepper on the Malabar Coast. The Dutch sometimes acquired this specie by contracting with the Mokha/Jeddah-bound merchants of Surat.<sup>110</sup> The English used respondentia loans to acquire Spanish dollars at Mokha and Jeddah. In the last quarter of the eighteenth century, these became popular forms of investment and a means of remitting money to Europe for the European merchants in Asia. Private European merchants and other Company officials as well lent money to be remitted to Europe even when the rates were very low. The English at Bombay usually lent money to merchants, both European and local, trading with China at a low bottomry, which amount—with interest—was given to the Danish, Swedish, English, or Portuguese merchants in China who needed money on bills (*assignatien*) payable in Europe.<sup>111</sup> The shippers seem to have benefited from these loans. As the flow of such induced trade was mainly eastward, leading ultimately to China, and as this traffic grew to large proportions in the late 1780s, it became increasingly difficult for shippers to obtain money in China; rather they were forced to receive in payment Chinese goods like camphor, spelter (zinc), silk, quicksilver, and sugar.<sup>112</sup> A larger supply of these goods at Bombay and consequently at Surat reduced prices, affecting the profits of the Companies.<sup>113</sup> Asian merchants thus availed themselves of the shipping and convoy facilities of the European Companies as well as of the money that the EIC lent them as respondentia loans. They continued to dominate the commodity trade of Gujarat to almost every coastal and high-seas destination.

### *Financial intermediation*

Bankers and brokers, known in medieval Indian common parlance as *sarrafs*/*sahukar* and *dalal*, respectively, played a crucial role in the conduct of trade. The former provided financial intermediation through extending credit and exchange facilities to all merchants and the Companies. The latter rendered agency services by acting as broker in matters of either investment—that is the procurement of export goods—or in disposing of imports.<sup>114</sup> Money merchants essentially provided two types of services to merchants; money-changing and money-lending and trading in *hundis*. Men engaged in facilitating trade in exchanging and determining the relative value of coins acted as a *sarraf*. As the Mughals did not allow the

circulation of coins in their dominion other than the standard silver rupee and its smaller denominations coined in the imperial mints, all merchants with non-Mughal coins had to convert them into rupees, or *mahmudis*. The Mughal policy of free minting made it rather easy for everyone to get their coined or un-coined silver re-coined at the imperial mints in almost every major trading city. This process could become easier if one could avail oneself of the services of the *sarrafs*, who were well connected with the mints. Since the European Companies were the major importers of foreign currencies or bullion, they always needed the assistance of these money-changers. Other merchants trading with the West Asian ports and importing Spanish rials or other silver coins also needed these to be re-minted, often through the agency of the *sarrafs*. These bankers were also indispensable because the Mughal coins had differential values, depending on the year of issue and mint, and therefore only they could establish the real value of a coin by testing its purity and composition of alloys and by determining its wear and tear. Their services were therefore crucial for individual merchants and the Companies.

Beyond simply weighing and assaying coins, the money merchants dealt with bills of exchange which were both a means of transferring money from one place to another and instruments of credit. In this capacity, these merchants acted as *sahukars* or bankers. At Surat they issued *hundi* on their correspondents in other cities or discounted bills issued by their correspondents at other places. The issuer received the amount to be transferred plus a commission at the prevailing rate, which depended upon the flow of trade and specie along different routes. On the presentation of a *hundi* by a merchant, the correspondent discounted it and paid the mentioned amount after the expiry of the stipulated time. In this case the merchant bore the risk and perhaps paid a low premium as a commission to the banking house. As an instrument of credit, the *hundi* was also a means of extending interest-bearing loans to a merchant who required money at a particular place but preferred to pay the amount with interest elsewhere. The creditor paid the borrower in cash and sent bills to his correspondent to whom the sum lent would be reimbursed. Here the lender bore the risk, but that was compensated for by a guaranteed high rate of interest. Through an extensive credit network Surat was connected with almost every major trade centre of the subcontinent. Surat abounded with banking houses which had correspondents elsewhere and it was a centre for the agents and correspondents of numerous other *sarraf* families from other parts of South Asia. Banking in the pre-modern Indian commercial system was fairly developed and sophisticated, and throughout the seventeenth and eighteenth centuries, the European Companies' trading ventures in India depended to a large extent on the money merchants' banking services.<sup>115</sup> The English, more than the others,



required these services to remit funds and credit from their major settlements at Surat and Hugli to other subordinate establishments in the interior or on other coasts of the subcontinent. The role of Bania banking houses has been held by some scholars to have been crucial to the English political ascendancy on the western coast of India in the second half of the eighteenth century.<sup>116</sup>

The Banias dominated this profession by acquiring expertise in money matters. There were Bania *sarrafs* who specialised in money-lending and money-changing whereas others took up banking as an extension of their other trading enterprise. Some Parsis and certainly a few Armenians also shared this domain of activity. The EIC's trade in Gujarat, epitomised as 'bullion for goods', required securing funds from elsewhere or raising it through credit. The political conquest of Bengal in 1757 and the assumption of the *diwani* in 1765 enabled them to remit large funds to Bombay and Surat through bills of exchange. This offered ample opportunities for such financial mediation. Consequently, several banking houses engaged in remitting funds between Surat, Bombay, and Bengal came into prominence. Major ones like those of Arjunji Nathji Tarwadi, Assaram Jagjiwandas, Tapidas Nirmaldas, Mohandas Dwarkadas, Atmaram Bhukandas, Gokuldas Bindrabandas, Lala Kashmiri Mal, Gopaldas, Gasper Johannes, Mackertish Maliknaz, and Joseph Stephen were involved in discounting bills issued by their correspondents in Bengal.<sup>117</sup> A number of smaller houses like those of Tapidas Laldas, Atmaram Jawaharchand, Jivandas Tarachand, Bhaidas Raghunath, Ramdas Dayaldas, Bhagwan Bansor, Bhiadas Vithuldas, Nagar Visbukandas, Govardhandas Bhaichand, Marwanji Ratanji, Mianshankar Kirpashankar, Lakshmidas Ramdas, Jagjivandas Anuprai, and Jaikishan Anuprai were engaged in exchanging bills between Surat and Bombay.<sup>118</sup> The study of the crucial services and role of the money merchants in the consolidation of the English political authority on the western coast of India has produced conflicting interpretations.<sup>119</sup> It appears that the money market at Surat or Bombay was not monopolistic as, on the supply side, the *sarrafs* were not organised as a single body to exert control over exchange rates and *batta*. Neither was it monopsonistic since the EIC was not the only operator on the demand side.<sup>120</sup> It has rightly been suggested that the money market functioned on the basis of free competition in the market and depended to a large extent on a complex set of factors. The remittance of funds from Bengal to the western coast of India through bills issued at Surat on Bengal *sarrafs* or vice versa, as happened later, implied that the actual transfer of specie did not take place. Whereas Bengal received silver specie from different channels, such as revenue collected from Bengal, Bihar and Orissa as well as the Companies' import of specie, for Surat a major source of silver specie was West Asia. Trade circulated



along the Surat–Mokha/Jeddah and Surat–Basra routes supplied the lifeblood to Surat, as the exports to these ports were always balanced by imports in mainly silver and some gold coins. The money market at Surat was quite sensitive to the turnover of trade at these ports. References to the scarcity of money and disruption of credit networks, although they were temporary phenomena, show an almost total dependence of credit at Surat on trade with West Asia.

The VOC at Surat was self-sufficient in the sense that its procurements of export goods were made usually from the proceeds of the imports it sold. For the Dutch, as we shall see in the next chapter, Surat was the only place on the Indian subcontinent where the value of goods annually sold by the Company was usually more than the total investment on export goods. The surpluses were used to balance the deficits in areas like Malabar, Ceylon, Bengal, and occasionally Batavia.<sup>121</sup> The funds were remitted through the actual transfer of silver rupees. In the mid-eighteenth century, the transfer of funds grew to such an extent that in 1763 the local authorities apprehending scarcity of money in Surat considered trying to stop it.<sup>122</sup> The Dutch made use of the credit network only for local remittances within Gujarat. Occasionally, if ships with imports arrived late or sales were delayed, the Dutch had to raise funds from the local money market. Normally they borrowed money from Bania merchant-bankers like Khushhalchand Kapurchand, Kapurchand Singa, Lalchand Khushhalchand, and Lakshmichand Khushhalchand.<sup>123</sup> In a list of Company creditors in 1775, other Bania merchants mentioned include Lalchand Adikram, Bansali Manikchand Rupchand, Hirachand Malikchand, Malikchand Ratanchand, Ratanchand Manikchand, and Harkishandas Gopaldas.<sup>124</sup> Another house of Bania merchants with which the Dutch had financial dealings was that of Baisa (Bhai Shah). In 1781, Baisa lent Rs 100,000 to the Dutch on the surety of Khushhalchand Kapurchand and Kapurchand Singa. This led to a prolonged dispute involving the English, the Dutch suppliers, and the house of Baisa thanks to the English takeover of the Dutch establishments and sequestration of its property, including export-goods procured by the suppliers and kept in the warehouses.<sup>125</sup> Besides the Banias, some Armenian merchants too rendered such services on a substantial scale. Armenian merchants such as Agha Ohannis Walladee Krikor and Agha Agepoosch Krikor were among the major creditors of the VOC at Surat.<sup>126</sup>

The interest rate on all ordinary loans remained 0.75 per cent per month during the second half of the eighteenth century. Interestingly, none of the Bania merchants in service of the Dutch are mentioned in a list of money-merchants of Surat recorded in some English correspondence. These merchants probably were under Dutch protection and therefore had no financial dealings with the English. None of these names

even appears in a petition to the English chief at Surat in 1794 concerning a dispute over the management of a temple and its deity and signed by sixty-three Bania bankers of Gujarat who represented 'many hundreds' of such families residing in Surat.<sup>127</sup> It is also evident that several merchants mentioned above, though kinsmen or belonging to the same family, had their own businesses and separate dealings with the Company. These are again examples of nuclear families that acted autonomously in external dealings but were allied with other units of the extended family by cultural and matrimonial ties.

A number of the Bania bankers sought English protection in the post-1759 period precisely because only the EIC could provide them scope for such large-scale remittances and usurious activities. Their professional ethics required that they should ally with the English and take advantage of the boom in the banking business. The money merchants possibly failed to realise the long-term implications of their financial cooperation with the EIC. Far from being a sign of their insensitivity or blindness towards the processes that eventually led to the colonisation of the subcontinent, the cooperation of the Banias with the British was a logical response to the business opportunities offered by the circumstances. Eventually, the financial services rendered by the latter helped the Company realise its political ambitions on India's west coast. For a long time, the activities of the Banias and English reinforced each other, but in the end the former emerged triumphant.

#### *Commercial intermediation: brokers*

Brokers constituted another crucial segment in the service sector that performed multiple functions in the conduct of trade. Commonly known as a *dalal*, a broker originally meant a simple mediator, one who brought buyers and sellers together and earned a commission on each transaction. This institution seems to have evolved over time and brokers seem to have assumed numerous additional functions. More than simply mediating between buyers and sellers, many brokers, being themselves merchants, bought and sold goods on their own account. They were also employed in dealing with financiers and their services could be crucial when negotiating with local political authorities. Brokering grew more and more sophisticated and diversified as it incorporated multiple dimensions of the early modern Asian commercial systems. The English term broker, or *makelaar*, as the Dutch called it, continued to be used in contemporary writings and no proper term corresponded exactly with the increasingly sophisticated nature of the broker's activity. The terms, such as *dalal*, *wakil* (representative), or *marfatia* (agent), do not at all have the richness of meaning that fit a profession like that of the brokers Mancherji

Khurshedji, Rudraram Raidas, and Govindram Rudraram. In due course, the institution assumed certain political connotations. Whereas the brokers of the VOC tended to dominate the Company in various respects, the English quite successfully contained the powers of their brokers by defining and redefining their position and by changing the nomenclature to *wakil* and then to *marfatia*.<sup>128</sup> The brokers of the EIC, Jagannath Laldas and Dhanjishah Manjishah, too, were rich merchants of Surat and conducted substantial trade on their own.

Whatever the nature of work or services rendered by these *dalals*, *wakils* and *marfatias*, until the early eighteenth century Banias overwhelmingly dominated this sector of Gujarati business, so much so that for some contemporaries, Bania and broker were synonyms.<sup>129</sup> Except perhaps for a few Parsi merchants of great affluence who served the European Companies as brokers, such services in cosmopolitan cities like Cambay and Surat, in the commercial marts of Broach and Bhavanagar, and in the production centres spread all over the interior, were overwhelmingly rendered by Banias.<sup>130</sup> It is only from the middle of the eighteenth century that more and more Parsis joined the profession. Whereas Dhanjishah Manjishah as the *de facto* broker dominated much of the commercial affairs of the EIC at Surat around the middle of the century, other Parsi merchants such as Mancher Dhanjishah, Dadabhai Manikji, and Edul Dada played a crucial role for most of the 1760s and 1770s by handling the Company's investments in export goods.<sup>131</sup> In his capacity as broker, Mancherji Khurshedji's influence on Dutch commerce between the 1750s and 1780s appears unprecedented. Another Parsi family, that of Kunwarji Kowasji, served the EIC at Cambay for much of the eighteenth and early nineteenth centuries.<sup>132</sup> The private English merchants at Surat and Bombay were predominantly served by Parsi brokers in matters of trade and finance.<sup>133</sup>

Despite the Parsi challenge, the European Companies' brokers at major trade centres like Ahmadabad, Broach, Bhavanagar, and Kachh were likewise mostly Banias.<sup>134</sup> Even the under-brokers in most parts of the interior were local Bania merchants.<sup>135</sup> The English had abolished the post of broker at Surat in 1738; nevertheless they were served uninterruptedly by several Bania merchants acting as agents (*marfatia* or *gumashta*) at Broach, Cambay, and other places. Whatever the ethnicity or religion of the merchants involved in these professions, their services were available to merchants of all backgrounds whether Muslim, Parsi, Armenian, Jew or European. The Banias' domination of the profession was due to the fact that they had inherited wide-ranging family networks in the towns of Gujarat and their hinterland which must have been a great asset to them in their role as brokers and must have added to their attractiveness as trading partners.

Like other merchants, brokers and agents rendering crucial services to the European Companies or merchants had at their command a number of under-brokers and agents to carry out their business responsibilities at various places. Their success or failure depended on the trust and loyalty of these networks. In carrying out their extensive commercial activities, the VOC brokers, Rudraram Raidas and Mancherji Khurshedji, had recourse to these ancillary service providers. Besides, there were also merchants spread all over Gujarat and farther away who came to Surat every year during the trading season when European ships arrived at the Surat bar.<sup>136</sup> These merchants depended for the acquisition of merchandise on some important entrepreneurs of Surat. Since the European Companies preferred to dispose of their imports to a purchaser willing to buy the whole cargo, or at least a major part of it, brokers usually pooled the orders (and money) from numerous buyers. These merchants probably registered with the brokers the required quantity of goods determined on the basis of a rough assessment of demand and in accordance with the prevailing circumstances in the interior. Both these factors made it convenient for the brokers to order particular merchandise from the Company and then to contract for its purchase. The brokers therefore tended to create a clientele of merchants who were, in a way, bound to trade only with them. There were merchants who had substantial dealings with the brokers, purchased goods from them and sold them to other merchants on a regular basis.<sup>137</sup>

The intermediary wholesale merchants and the multitude of others from the interior who comprised the brokers' clientele played a crucial role in the conduct and sustenance of the extensive commercial empires of the brokers of the VOC at Surat. Decisions regarding the price and quantity of goods to be bought depended on the network that kept them informed of the latest trends and of the activities of other merchants and Companies. They were quite adept at gathering information about the arrival of ships and commodities, the nature of the market and the prospective sale of different commodities in Surat and elsewhere. The vagaries of the market made it essential for entrepreneurs like them to have a good overview of the situation to make informed decisions in matters of the price and choice of goods. Their expertise in assessing the markets, estimating the demand and determining the quantity of goods and their prices contributed to their commercial success. Given the uncertain political situation in the region, the achievements of the two leading merchant families of eighteenth-century Gujarat seems spectacular and must be attributed to the degree of control they exercised over the extensive network of merchants, brokers and other service providers spread along the western Indian Ocean littoral.

On the supply side too, there was a section of merchants which played

the role of broker in procuring goods for merchants and the Companies. At Surat, the Companies' suppliers were mostly helped by intermediaries. The Parsi merchant Rustam Jessu, for instance, looked after the procurement of textiles for Dadabhai Manikji and Edul Dada, the principal contractors of the EIC's investments, although he did not limit his services only to these two.<sup>138</sup> The advances given to the contractors at Surat went through him to a set of intermediary merchants who then distributed the amount to producers, a practice that bound the latter to deliver the stipulated quantity of goods. Since the EIC always invited proposals from merchant-contractors for its investments, a number of such merchants in fact annually proposed to supply at competitive prices, a fact that suggests that each of them possessed the requisite network and enjoyed the services of intermediaries at various levels. The VOC's procurement of textiles and other goods at Surat, on the other hand, was managed by two Parsi merchants, Sorabji and Ratanji, and later their sons Bahramji Sorabji and Harmuzji Ratanji, on a virtually permanent basis. The duo enjoyed a kind of exclusive right over the VOC's investments and managed procurements through advances to different merchants who were in touch with the producers.<sup>139</sup>

Another variant of brokering or agency servicing that was in fact monopolised by the Parsis was the job of the *modi*. This was a position given by the European Companies to a merchant of repute who in that capacity was obliged to look after the management of provisions and other logistics. He was responsible for the maintenance of warehouses and other establishments of the Company he served. The family of Manik Dada held this position for the VOC for much of the eighteenth century. Being themselves merchants of high credit, Manik Dada and later his son Bahman Manik (who joined and replaced his father in 1780) rendered this crucial service. The nature of their work meant that they exercised a good deal of influence on grain merchants who supplied all sorts of provisions required for the maintenance of the Company's civil and military personnel. In 1764, while there was a scarcity of grain in Surat, Manik Dada could still purchase 100 *lasts* of wheat through his contacts with up-country merchants.<sup>140</sup> Sometimes this agency was also used by the Company in its diplomatic negotiations with the local political authorities.<sup>141</sup>

### *Merchants and the eighteenth-century political economy*

Trade and politics were related to each other in a complex way. Although the people in politics sometimes straddled the two domains, merchants in general, at least in Gujarat, generally kept aloof from direct participation

in politics. Depending upon circumstances, political institutions or territorial authorities endeavoured in their own way to take advantage of commerce which had, since the 1500s, assumed a nearly global character. In Mughal India, instead of directly participating in or controlling commerce, the state helped the inherent potential of its producers and merchants by providing the institutional framework and creating an environment conducive for large-scale economic activities. It was the ingenuity of the latter groups that they took full advantage of the improved state of safety and security of persons and property, the increasingly monetised economy, and the trading opportunities that the European Companies presented to them. In Gujarat where, as I have argued, the state was not a dominant entity, merchants seem to have ruled the roost of society to a greater degree than perhaps in other regions of South Asia.

It is true that the collapse of the Mughal and Safavid Empires within a decade or two in the early eighteenth century adversely affected commerce along the western Indian Ocean littoral. Mercantile wealth became exposed to the unprecedented rapacity of some of the local Mughal governors. As one of the most commercialised provinces, Gujarat suffered most. As mentioned earlier, the affluent merchants of Ahmadabad were subjected to excessive extortion throughout much of the 1720s and 1730s. In the late 1740s, Surat became victim of a severe struggle for political control that inevitably drew the EIC into a political role. Already much inspired by the idea of exercising political authority, the English were further encouraged by the uncertain political conditions at Surat. As the conflict intensified in the 1750s, the assault on mercantile property also increased. In 1754 for instance, Surat's merchant community lost Rs 206,000 through extortion.<sup>142</sup> This compelled many of the affluent merchants to call on the European Companies to provide them protection. Out of desperation and anticipating an end to the political chaos some of them even began to entertain the idea of helping the English into the corridors of power. Some prominent merchants were therefore instrumental in the English takeover of Surat Castle in 1759.<sup>143</sup>

Other hazards befell shipowners and freighters with greater intensity in the early and mid-eighteenth century. The threat of maritime violence along the Gulf of Cambay and further to the south of Surat was nothing new, but the increasing number of incidents of vessels being taken by the Sultanpuri, Angria, and Bassein navies caused consternation to merchants and the Companies alike.<sup>144</sup> Several encounters between VOC ships and the pirates were reported and in their letters to Batavia the Dutch authorities at Surat expressed a great sense of relief if the ships arrived without having any encounter (*ontmoeting*) on the way to Surat.<sup>145</sup> Ships, whether local or European, plied the coast and rivers to places like Broach, Cambay, and Bhavanagar only in convoys escorted by a warship

fully equipped with men and weapons to combat the so-called pirates.<sup>146</sup>

The merchants of Gujarat also occasionally suffered adversities in the Persian Gulf and the Red Sea. In 1755, the adverse impact of domestic political instability in the Red Sea region on the trade of Mokha and Jeddah was severely felt when seventeen Bohra merchants at Mokha went bankrupt, with combined losses of about Rs 80,000 while the Gujarati merchants at Jeddah suffered a 75 per cent loss on the sale of merchandise.<sup>147</sup> In the Persian Gulf too, conditions were far from congenial after the demise of Nadir Shah in 1748. Internal conflicts among local potentates sometimes caused great damage to commerce in that region. In a letter to the Court of Directors in 1765, the English Resident at Basra Peter Wrench wrote:

This place [Basra] being now under a great deal of trouble on account the government having joined Carom Caun [Karim Khan] against the Chauh [Shah], there is at present an entire stagnation to all trade and business, little are money in the town and those that have any, are afraid to show it, the government's demands being very urgent to support the charges of the expedition.... It is much to be wished these troubles may soon be terminated, the communication of this river being at present stopped by the Chauh & the town full of soldiers, the merchants will scarce show themselves & the price of everything is rose considerably, but especially grain almost 100 per cent within these few days.<sup>148</sup>

These inconveniences were, however, ephemeral and Gujarati merchants by and large continued their shipping and trading activities along almost all Indian Ocean trade itineraries. In accordance with the challenges they came to face in the eighteenth century, they devised means and adopted strategies befitting their spheres of activities. One such strategy to which some affluent merchants and shipowners seem to have had recourse was sending their ships to destinations like East Africa, South-east and East Asia. From the shipping lists of the second half of the eighteenth century it appears that many ships owned by Parsis and Muslims sailed to the East calling at major ports like Batavia and Canton.<sup>149</sup> The local merchants' participation and involvement in exporting cotton to China on the EIC ships also indicates their eastward orientation.

To ensure the security of their person and property, a few very affluent merchants went further and sought to associate themselves with those in positions of power at Surat. Depending upon their spheres of activity and mutual interests, such merchants had to choose their 'protectors' from among the political players. They sought protection from the European Companies, particularly the English. Protection does not necessarily imply an unequal relationship; it was rather contractual and based on reciprocity of commercial interests. In all probability, it was formalised in a written declaration which bound the merchant to behave in such a way that his activities were not injurious to the commercial interests of the



Company. In return, the Company was obliged to provide protection to the merchant and extend all facilities to which he was entitled. Whereas the Europeans always invoked legal values to legitimise such arrangements, the merchants interpreted them as negotiable. The only reference to the terms of such protection comes from the statements of the Dutch authorities at Surat regarding a case of non-compliance. In a letter to the Dutch Director at Surat, Louis Taillefert (1756–60), David Kelly wrote:

In the year 1748, by special request, inserted in the proceedings of 17 July, he [Mancherji Khurshedji] commits himself and requests that he and his entire family, members of the household and servants, ships, goods, money, in short all that belongs to him, concerns or depends on him, may be taken under the protection of the Honourable East India Company of the United Netherlands, and, moreover, that he may be invested with the privileges and benefits of a private or free merchant, in return for which favour he promises to be eternally grateful and to comply with the orders of the Honourable Company or those issued on its behalf in every way as a free merchant, but also to submit himself, his family, servants, ships, goods, money, and all that belongs to him or is subject to him completely to the laws and customary laws and justice of the United Netherlands and not to discharge himself from this contract without the foreknowledge or consent of the aforementioned Honourable Company.<sup>150</sup>

Protection became a key word in the middle of the century and a number of leading merchants, including shipowners, went over to the English or the Dutch. Holden Furber has suggested that by 1750 about a third of Surat's mercantile capital was under European—mostly Dutch—protection.<sup>151</sup> It was only after 1750 that many Bania and Parsi merchants who were not previously in formal alliance with anyone began to bind themselves to the EIC by such contracts.<sup>152</sup> Yet the impression of an overwhelming number of Indian Ocean merchants turning towards the EIC for protection in the late eighteenth century does not seem to match the evidence. If protection implied that those under protection paid duties at the English custom-house, the customs records do not indicate any major shift. As late as the mid-1790s, the value of merchandise traded under English protection on which customs was paid at the *latty* comes to only about one-sixth of the total value of goods transacted between Surat and West Asian ports.<sup>153</sup> Moreover the suggested 'Anglo-Bania partnership' was never a matter of serious concern for the Dutch, French or Portuguese so far as their trade was concerned. The association with the VOC or Portuguese merchants which also implied protection, continued to be solicited equally by many affluent Bania merchants of Surat even in the last decades of the century.<sup>154</sup>

These decisions were those of individual families and had nothing to do with the community to which one belonged. In so far as the pursuit of commerce was concerned, each community was quite fractured as its



members were free to take independent professional decisions which were determined by their interests. Holden Furber's identification of the Parsis, Muslims, and the Hindus as interest groups in Surat who 'interacted in such a way that the English went from strength to strength without the necessity of building any territorial power outside Bombay' seems to be an oversimplification of a complicated interplay of interests across communities.<sup>155</sup> More than inter-community, inter-personal interests determined an individual's course of action. If Dhanjishah Manjishah, Edul Dada, and Dadabhai Manikji were with the English, Mancherji Khurshedji, Manik Dada, Sorabji, and Ratanji, among other prominent Parsi merchants and shipowners, were associated with the VOC. Interestingly, while Mancherji served the VOC as its broker, his brother Kowasji Khurshedji was under the protection of the EIC. If the English enjoyed the services of Jagannath Laldas, the leading Bania merchant of Surat, the Dutch had the privilege of having the family of Rudram Ram Raidas as their broker. For some families, the rationale of allying themselves with more than one power centre, no doubt represented a strategy of spreading risk and having a finger in several pies. They had, as it were, more than one partnership in their 'portfolio'. A number of Bania merchants maintained close commercial relations with the Dutch, the Portuguese, and other European merchants throughout the eighteenth century.

The Parsi merchants happened to be particularly enterprising and perhaps more than others were willing to associate themselves with the European Companies. Their role in making nineteenth-century Bombay the biggest trading entrepôt in the western Indian Ocean was crucial. They were the first and largest group to sense better prospects for commerce at, and therefore to move to, Bombay when it was still in embryonic form.<sup>156</sup> Those remaining in Surat, were, nevertheless, equally crucial in sustaining the commercial prosperity of the city and the port. The European Companies too were willing to extend protection as this ensured them the invaluable services of the protection-seekers as potential buyers of imports, brokers, contractors or suppliers of merchandise as well as bankers. The Companies were obliged to provide them protection whenever their interests were threatened. Instances of seeking a Company's help and shelter in times of crisis are numerous. The Companies negotiated on behalf of merchants and used all persuasive means to get their grievances redressed.

Some families also cultivated closer relations with local political authorities. This was not new as several examples of 'portfolio entrepreneurs' can be found in the seventeenth and early eighteenth centuries.<sup>157</sup> The political instinct of Mancherji Khurshedji was best expressed in his association with Safdar Khan and Ali Nawaz Khan, the successive gover-

nors of Surat in the late 1740s and the 1750s.<sup>158</sup> Anticipating commercial advantages or at least immunity from arbitrary extortions to which many of the affluent merchants were subjected in the early 1750s, he may have invested in his political patrons' war operations.<sup>159</sup> The investments of Jagannath Laldas, Dhanjishah Manjishah, Dadabhai Manikji, Edul Dada, and some others in the English political adventure yielded high dividends once the Company was in possession of the castle.<sup>160</sup>

Despite the so-called English monopoly of the freight trade, Surat's commerce with West Asian ports continued to be carried on predominantly by Asian merchants and their ships. A majority of ships listed as sailing to or arriving from Mokha, Jeddah, and Basra in the second half of the eighteenth century belonged to Surat merchants.<sup>161</sup> In 1774, out of ten ships reportedly returning from these ports seven belonged to Asian merchants and carried about three-quarters of the port's total imports of silver specie for the year.<sup>162</sup> Since many merchants freighted their goods on English ships as well, they shared a large proportion in the specie imported in English ships. Moreover, the freight monopoly was not to the total disadvantage of all local shipowners. Many of them found better deployment of their ships through English mediation. This is evident from the fact that when some merchants made a written representation urging the English authorities to allow them to freight their goods freely on any ship they preferred, some shipowners, such as Tahar Chalebi, disagreed with them. He insisted that the monopoly should continue and that a preference of freight for his ships be imposed.<sup>163</sup> The freight rate was not unilaterally fixed by the English Chief; rather it was determined in consultation with *marfatias*, brokers, and freighters.<sup>164</sup> The rates at which the ships were let out to the English were also not arbitrarily imposed. The owners submitted their proposals indicating the rate at which they would let out their ships and the Chief then decided to enter into agreements with those he deemed most proper and advantageous.<sup>165</sup> Merchants like Mulla Fakhruddin, the Chalebis, Dhanjishah Manjishah, Dadabhai Manikji, and even the Nawab of Surat had no inhibitions about leasing their ships to the English for this purpose.<sup>166</sup> This freight system also benefitted traders since it freed them from the problems of late arrivals at their destination and the loss of merchandise. From written complaints to the English made by some merchants it appears that the merchants suffered losses on these accounts and were even made to pay double freight.<sup>167</sup> Under the new system, the ships carrying freight goods sailed under English protection and were piloted by experienced European captains. The system, therefore, was based more on the efficiency of freight services and better management of the resources at hand than on coercion or the use of force.

The English assumption of power at Surat in 1759 also brought about

a change in the structure of customs revenue collection. The English began collecting customs at the *latty* where all merchants trading under English protection paid duties on their imports and exports. In addition, they appropriated one-third of customs collected at the *furza*.<sup>168</sup> Merchants began to be identified either as being under the protection of the EIC and paying customs at the *latty*, or as 'Mughal' merchants, which included all non-English Europeans, paying customs at the *furza*.<sup>169</sup> Merchants in the mid-eighteenth century were subject to some additional payments.<sup>170</sup> They bore the brunt of wars and were later obliged to pay an additional 1 per cent to the Company as war expenses.<sup>171</sup> In their bid to do away with differential duties and bring about a system of uniform taxation in the 1790s, the Company authorities imposed a flat 5 per cent on all imports and exports to be collected at the *latty*.<sup>172</sup> Merchants importing silk from Bengal paid a 6 per cent duty at Bombay or in Surat, in addition to 2 per cent already paid in Bengal as export tax.<sup>173</sup> Merchants trading with the Persian Gulf and the Red Sea were also made to pay 5.5 per cent on all imports as against 2.5 per cent paid by their English counterparts.

The complex nature of taxation undoubtedly increased the burden on merchants. The merchants, nevertheless, devised means of avoiding the most onerous demands. Quite often, they used impersonation as an effective weapon to avoid excessive duties. In a detailed report on the discovery of this 'abuse', the English *latty*-master John Spencer described how 'Mughal merchants' used English merchants' names to export their goods (if destined to Bombay or its dependencies) through the *latty* where, after paying 6 per cent, they were exempted from customs at their destination ports. Similarly, the Company's merchants preferred to consign goods to other ports not directly under Company control, through the *furza* in the name of 'Mughal merchants' by paying a lower duty than at the *latty*.<sup>174</sup> To avoid excessive customs, some merchants even resorted to clandestine trade. The English tried to curb this practice by imposing penalties or confiscating goods if detected.<sup>175</sup> But, given the absence of police patrols and the lack of effective vigilance along the river to the sea, it was impossible to eliminate the chances of goods being smuggled to and from Surat.

Although merchants had internalised some of the taxes imposed by local authorities, they resisted the imposition of high duties on imports from West Asia. They also resisted English interference in Surat's freight trade. Through petitions and representations, Surat merchants were able to approach the Company's higher authorities at Fort William, Calcutta and London and eventually secured the removal of impediments to their commerce.<sup>176</sup> In the 1790s, they opposed the imposition of high customs duties by the English at Surat and presented their grievances to the

Nawab of Surat and also appealed to the authorities at Fort William, Calcutta, to remove the impediments.<sup>177</sup> In 1796, they succeeded in securing the abolition of the Company's interference in the freight trade of Surat. It appears thus that the merchants of Surat displayed a great deal of ingenuity and resilience by trying to turn the circumstances to their favour and by resisting any English efforts to undermine their commercial interests.

### *Conclusion*

It transpires from the data on Gujarati mercantile activities that the region's commerce, especially its maritime sector, was vibrant in the second half of the eighteenth century. After having suffered the consequences of major political change all along the Arabian Sea littoral in the second quarter of the century, mercantile fortunes recovered rather quickly in Gujarat. In the second half of the eighteenth century, whereas a number of shipowners kept up their fortunes one way or another, many new ones, such as Mancherji Khurshedji, Dadabhai Manikji, and Manik Dada, rose to prominence by acquiring ocean-going ships and engaging in maritime trade on a large scale. Contrary to Ashin Das Gupta's assertion that the Muslim shipowners of Surat avoided European-dominated sea lanes and found sustenance only where the Europeans were reluctant to penetrate, the evidence shows that the Bohra, the Chalebi and the Parsi ship-owning merchants continued to dominate Surat's trade with Mokha, Jeddah, and the Persian Gulf ports.<sup>178</sup> Their participation in the trade of East Africa, Batavia, Siam and China was also significant. Whereas many merchants with large resources continued trading to Surat's traditionally most important trade destinations, some merchants simply turned their ships to what Ashin Das Gupta calls a 'secondary sphere of activity' in the western Indian Ocean. For many of them, Masqat and Zanzibar became attractive destinations.

Money merchants and brokers found greater opportunities to benefit from European trading activities in this period. The spectacular growth in the fortunes of a large number of Parsi merchants and Bania banking firms may be attributed to their close business relationships with the EIC and private traders. The rise of Bombay as a major entrepôt in western India owed much to Gujarati entrepreneurs, particularly the Parsis, who moved to that port to spread risk and take advantage of the budding commerce there.

It is also evident that in their capacity as brokers and bankers a number of merchants played a crucial role in the commercial economy of Gujarat. Many of them like Mancherji Khurshedji, Rudraram Raidas,

and Dhanjishah Manjishah even exerted influence and a degree of control over the European Companies and private traders. The local government's and the Companies' increasing dependence for financial resources on money-merchants and the penetration of merchant capital into production processes added to the latter's power and position.<sup>179</sup> This, however, did not give them a free hand to subject producers and manufacturers to non-economic forces like coercion and the unilateral determination of prices. In terms of the functioning of the market and the merchants' position in it, eighteenth-century Gujarat experienced a remarkable degree of continuity. Professional specialisation along the lines mentioned above continued by and large. Banias and Muslims retained their predominance over the money market and shipping respectively. There was nevertheless a greater professional mobility among merchants during this period that seem to have blurred, to a large extent, the boundaries that had separated professions on caste and community lines.<sup>180</sup>

The above analysis also demonstrates clearly that the world in which the Indian Ocean merchants lived in the eighteenth century was a complex one. This was the result of the intensity of changes that occurred in the social and political domains as well as in the nature and structure of commerce in Gujarat in the course of the late eighteenth and early nineteenth centuries. It is worthwhile to emphasise the dynamism of their trading world and point out that in the encounter with a trading company possessed of military and political powers—the EIC—they displayed great perseverance and continued to play a prominent role in the political economy of the region. Their characteristic resilience and extraordinary adaptability helped them circumvent new regulations and blunt their adverse effects. This dynamic is evident in the seemingly perpetual engagement between merchants and rulers throughout this period.

By the early nineteenth century, the rules of the game had changed drastically and in ways that had definite implications for merchants. The EIC's policy of directly negotiating with producers and manufacturers through a commercial resident placed at every major production centres adversely affected the fortunes of those Surat merchants who had until then provided commercial mediation to the Company. Surat had given way to Bombay that emerged as perhaps the greatest emporium of trade in the western Indian Ocean. In the present state of our knowledge, it can only be stated that the merchants' trading world was in great flux during this time. The affluent ship-owning merchants and other major entrepreneurs who represented a prosperous world vanished. The scattered evidence of merchants' shipping and trading activities needs to be brought together to examine the variety of arenas that sustained large numbers of merchants and entrepreneurs in the early colonial period.

## CHAPTER FOUR

### GUJARAT IN ASIAN AND EURO-ASIAN TRADE: THE DUTCH EAST INDIA COMPANY

In many ways, Gujarat's economic dynamism in the early modern period was closely linked with the intra-Asian and Euro-Asian exchange networks in which the European Companies, especially the Dutch East India Company (VOC), played a major role. Since Europe's discovery of the New World and the opening of an all-water route to the East Indies at the close of the fifteenth century, the Asian economies had been closely linked with the world economy. East Asian sugar and precious metals, South-east Asian spices, South Asian indigo, pepper and cotton and silk textiles and West Asian silk travelled across regions and continents. From the late seventeenth century, the European demand for Indian textiles expanded rapidly on account of the growing European appetite for cloth.<sup>1</sup> The subcontinent's centrality in Euro-Asian trade was due to its ability to produce a variety of textiles for European markets on a large scale. As the demand for textiles grew further in the eighteenth century, the European Companies and Asian merchants fiercely competed with each other to procure the varieties most in demand.

In the Indian subcontinent, Bengal, Coromandel, and Gujarat catered to the enormous internal and external demand for cotton, silk and mixed cotton and silk textiles of varying designs and textures. Each of these regions specialised in the manufacture of certain types of cloth. Bengal enjoyed pride of place in manufacturing a wide range of piece-goods, both silk and cotton-silk mixed. Coromandel, similarly, was known for its patterned cotton cloth and essentially catered to the South-east Asian markets. Gujarat produced a variety of fine and coarse cloth of cotton and cotton-silk blend which was much in demand in Europe and throughout Asia. Most textiles were carried from Gujarat to the West Asian markets by local Asian merchants who, as we noticed in the preceding chapter, dominated this sector of the region's trade. The European Companies catered mainly to consumer demand from Europe, South-east and East Asia. The production centres, widespread across the interior, were connected with globally dispersed consumers through the networks of trade in which Asians and Europeans competed, collaborated and complemented each other. The Companies stationed at Surat managed their commerce through a chain of subordinate factories in other major port

cities and towns and conducted trade with the help of brokers and suppliers of textiles.

In the absence of a large local demand for European goods, the exports from Gujarat were much in excess to what was imported. The balance was paid in silver rupees. A large part of the trans-Atlantic silver acquired by Europeans was used to pay off the balance in Asia. The general pattern of trade corresponded quite well to the axiom 'bullion for goods'.<sup>2</sup> In Gujarat, however, the VOC had a unique position on account of its large-scale involvement in intra-Asian trade. A monopsony over the fine spices of South-east Asia and exclusive access to Japanese gold, silver and copper enabled the Company to exchange goods within Asia and raise funds locally for the procurement of export goods.<sup>3</sup> The pattern of Dutch trade in Gujarat, therefore, differed from that of its trade elsewhere in the sub-continent as well as from that of other European Companies. This pattern has been characterised as 'goods for goods and bullion'.<sup>4</sup> This was largely because the VOC was the main importer of European and Asian merchandise which in sale value was usually higher than the value of its total annual exports from the region. We have the most consistent and systematic data on the Company's imports, sales and exports for the eighteenth century which together with the evidence on imports and exports of other European Companies enable us to analyse the dynamics of production and trade in Gujarat.

### *The VOC's response to the early-eighteenth-century crisis*

In the early eighteenth century, a combination of factors made it difficult for the VOC to retain its dominant position in the commerce of the Indian subcontinent. The political instability caused by the collapse of the Mughal's central authority and exacerbated by the Maratha advance into the north of India disrupted trade and production and caused insecurity on the routes that connected Surat with the interior. As access to the interior became difficult, the network that the VOC had built up over the preceding hundred years or so began to lose its efficacy. It was no longer possible for the Company to continue with its subordinate factories at different places in the interior. Agra was the farthest from Surat and abandoned first, in 1713. The uncongenial conditions prevailing in the 1720s and 1730s in most parts of Gujarat forced them to withdraw from Ahmadabad as well in 1742. Cambay was given up for the same reason two years later and in 1750 the only factory subordinate to Surat was that of Broach. In the second half of the eighteenth century, the Company conducted trade in Gujarat almost entirely from Surat through local intermediaries who knew the interior better than the Europeans and who



were apt to find alternative means to carry on their business even under uncongenial circumstances.

Being confined to Surat meant a greater dependence on brokers and suppliers, which was not free from hazards. A little delay in sales would jeopardise investment and, in the same way, if purchases were not completed in time, there was every possibility that one would miss the season and the homebound ships. The Company had to guard against all such eventualities and make sure that the imports were disposed of in time to pay for purchases. Jan Schreuder, director of the Dutch factory at Surat (1740–50), conducted trade from Surat through the Company's brokers and suppliers. Soon after his term in office, the new incumbent Johannes Pecock re-established the factories at Ahmadabad and Cambay and even explored the possibility of establishing new ones elsewhere. A factory was subsequently established at Mandvi in the Gulf of Kachh while attempts were made to open outlets to the south of Surat at Bassein and Dandarajapuri. These were primarily attempts to tap the economic potential of the rich and extensive zones of commercial activities in the Gulf of Kachh and the Deccan. This was also partly a measure to defend the Company's commercial interests against the threat of the English presence at Sind and Bombay. Initial results in both places were promising as the Company's officials at Mandvi and at Dandarajapuri were able to sell their imports at reasonably good prices.<sup>5</sup> Soon, however, the dreams shattered as a dispute with the Raja of Kachh regarding customs and gifts resulted in the expulsion of the Dutch from Mandvi in 1758. The Dutch commercial enterprise at Dandarajapuri also ended abruptly. The Broach factory was indispensable for carrying out investments in cotton and textiles hence it continued even after 1759 as the only active subordinate factory in Gujarat.<sup>6</sup>

By 1745, the Company's trade in Gujarat and the Western Indian Ocean was already much diminished. This is evident from the fact that whereas between 1694/5 and 1698/9, the best years of the seventeenth century in terms of Dutch trade at Surat, the average annual value of the Company's exports had been Rs 601,373 and Rs 823,618 respectively, the corresponding figures for the period from 1740/1 to 1744/5 were only Rs 283,467 and Rs 257,928.<sup>7</sup> There were two major factors for this decline, namely the reduced supply of goods from Batavia and the situation arising out of the Maratha incursion into Gujarat.<sup>8</sup> Jan Schreuder, determined to improve the Company's performance, called for a more 'vigorous and better-coordinated' participation by the Company in Surat's trade.<sup>9</sup> Given the number of ships available to the Company at Surat for the consignment of goods to different destinations in Asia as well as the nautical constraints, the Company had to make the maximum use of ships and tonnage. In 1750, Jan Schreuder outlined the scheme of



the Company's trade in Gujarat by carefully planning ships' itineraries.<sup>10</sup> As five ship-loads of goods from Batavia were deemed sufficient for Gujarat, the Company had to provide enough return goods to make full use of them for different Asian and European markets. Of the five ships, one was allocated for conveying exports to Ceylon (from where they would be conveyed to Europe in homebound ships), one for Batavia, two for Bengal and one for China, the last three with a cargo of cotton. The two Bengal ships were to be dispatched with freight goods to Mokha, Jeddah and Basra. The ship returning from Basra was to load at Surat a cargo of cotton for Bengal while the other one was to return directly from Mokha to Bengal, probably with coffee and other products.<sup>11</sup> This scheme seems to have worked quite well in the 1750s when the Company could still dispose of large quantities of spices, copper, sugar, tin, iron, spelter, ivory, sappanwood, and many other products at Surat.

*Disposal of imports: the VOC and its brokers*

From the statements of sales at Surat, it is evident that the Company was able to dispose of a large quantity of Japanese copper, sugar from Indonesia and China, iron, lead, Malaccan tin, Siamese ivory and sappanwood, and spices, especially cloves and nutmeg. In return Surat provided a variety of textiles and some other goods for Asian markets as well as for Europe. The cargo of ships returning to Batavia every year was composed of export goods such as a variety of cotton textiles, silk cloths, and cotton yarn apart from putchuk, olibanum, myrrh, and false amber. In the second quarter of the eighteenth century, the value of Dutch imports into Gujarat declined steadily. From an annual average value of f 404,380 during the years 1721–5, it fell by more than 55 per cent to f 178,979 during the years 1741–5.<sup>12</sup> Profits on the sale of imports also fell rather sharply, from 146 per cent in the second decade to an average of 106.8 per cent during the next two decades (1721–40) which might be attributed to the imposition of additional tolls by the Marathas in the province.

The position of the Company's trade improved remarkably from the middle of the 1740s. This was possibly the result of the efficacy of Jan Schreuder's plan as well as the region's general economic recovery. As we move into the second half of the century, a marked shift from the preceding period can be discerned, notably in the almost total disappearance of pepper in the list of goods imported by the VOC into Surat.<sup>13</sup> In the first quarter of the century, black pepper from Bantam and Malabar had accounted on average, for a fifth of the total value of merchandise imported into Surat. While copper retained its position, with an occasional slump, the trade in sugar flourished during our period of study. Other

commodities like iron, tin, lead, spelter and sappanwood, having a moderate sale in the 1750s, registered a marked drop.

The Company's imports into Surat were disposed of to local merchants through a contract concluded at auction. Every year after the arrival of the ships, the Company invited proposals from its brokers and other merchants indicating the prices at which the latter were willing to buy. If acceptable to the Company, a contract was concluded, the terms of which enumerated the price of each commodity and stipulated the time within which all goods were to be collected from the Dutch warehouses and payments were to be made to the Company. The brokers usually tried to achieve a monopsony, and despite the Company's efforts to keep the sales open to all, the brokers, either by persuasion or coercion, prevented others from bidding and thereby manipulated things in such a manner that they happened to be the highest bidders, thus obliging the Company to sell to none other. The Company was not always at a disadvantage, however: it was assured of the broker's services almost on a permanent basis. The network and chain of clients over which the brokers had control were of immense utility for the Company. The creation and sustenance of networks depended to a large extent on the commercial opportunities that the Company offered. With political backing, the brokers could sometimes strike favourable bargains, but the relationship between the two remained one of mutual benefit.<sup>14</sup>

The relationship, however, was directly dependent on the power and control each exercised over the other. The trajectory of the relationship of the VOC with its brokers shows a curious continuum in which each side tried to dominate the other. Between 1750 and 1781, the brokers Mancherji Khurshedji and Rudraram Raidas (and later his son Govindram Rudraram), eventually became the principal buyers of the Company's major imports at Surat. Whereas the Dutch interpreted their contracts as purely legal documents that bound brokers to the terms of the contract, the latter always took them as tentative and negotiable. The two brokers collected goods at their convenience and sometimes did not do so unless they found some prospective buyers.<sup>15</sup> The Company had the worse of this arrangement as delays in the withdrawal of goods not only denied it money so crucial for timely investment in export goods, but also subjected it to eventual losses due to damage to the goods while still in the warehouses.<sup>16</sup> The Company tried every means to make the brokers abide by the terms of their contracts with regard to the timely withdrawal of goods and payments. The Dutch director at Surat, C. L. Senff (1763–8), tried his best to dominate the brokers by opening up the sale to many other merchants and by fixing deadlines for the withdrawal of merchandise through a written contract. It stipulated that all merchandise had to be withdrawn and payments made to the Company before the end

of a 'book year', that is the last day of August. These measures, however, could not help Senff steer the Company out of the problems of delayed payments and mounting debts to the brokers.

Throughout their tenure, as the Dutch authorities alleged, the two brokers continued to be the highest bidders by keeping other merchants from competing with them.<sup>17</sup> In 1769, the new director M. J. Bosman introduced another system by which the brokers were asked to pay for the merchandise delivered to them at the end of every month.<sup>18</sup> In 1772, he even went so far as to force them to submit a written affidavit from the prospective buyers to pay money directly to the Company.<sup>19</sup> Every weapon, however, was blunted by the obduracy and adroitness of the brokers; all attempts to devise an actual solution to the problem failed.

By 1770, the Company was plunged into a new crisis and soon found itself caught in a complex web of bad debts. The brokers delayed payments to the Company and tried to take merchandise on credit. In 1769, they owed a debt amounting to more than Rs 200,000, which the Company tried to recover by all possible means.<sup>20</sup> The debts could be recovered only if no further goods were delivered to them on credit, a proposition that was practically impossible for the Company. The recurrent sale of imported merchandise obliged the Dutch to soldier on in this marriage of inconvenience. The problem of debts kept the Company occupied as long as Mancherji Khurshedji and Rudram Raidas remained alive. Even in the mid-1780s, the families of Mancherji and Govindram could not clear the debts they owed to the Company.<sup>21</sup> Under these circumstances, the Dutch were compelled to borrow money on interest in order to advance funds to the suppliers of export goods in time.<sup>22</sup> Even though the idea militated against the general practice of having sale contracts with the brokers, the Dutch were probably aware of the implications that eliminating them from the processes of sale and purchase of goods would have for them. It was only after the Fourth Anglo-Dutch War that we find evidence of other merchants bidding and concluding contracts for the Company's merchandise at Surat.

### *The VOC's imports into Gujarat*

The data on Dutch imports and sales at Surat in the eighteenth century (presented in Appendix 4) show a rather complex trajectory. Reduced to five-yearly moving averages, the data indicate four distinct alternating phases of boom and slump in terms of total trade value. Between 1711/12 and 1725/6, the average annual value of goods sold by the Company was f 859,234, a figure higher than the average value for the period between 1694/5 and 1698/9. Subsequently, the average value dropped quite

sharply. From 1726/7 to 1744/5, the average value was *f* 460,838, about 46 per cent less than the average value in the preceding fifteen years. Between 1745/6 and 1771/2, the average annual value of goods sold at Surat was *f* 1,050,824, with the average profit on sales being *f* 606,750. In terms of consistency in the high turnover of trade, this twenty-seven year time slot represents the best ever period in the history of Dutch trade in this region. From 1772 onward, the value of imports and sales of goods by the Company once again decreased substantially. Between 1772/3 and 1792/3, the average annual value of goods sold by the Company came down to *f* 552,670, with an average profit of *f* 346,192. The average value of goods sold at Surat fell by 47.4 per cent whereas profits declined by about 43 per cent (Table 4.1, Figures 4.1 and 4.2, and Appendix 4).

*Table 4.1 Five-yearly average annual values of the VOC's imports, sales, and profits at Surat, 1711-1793 (in guilders)*

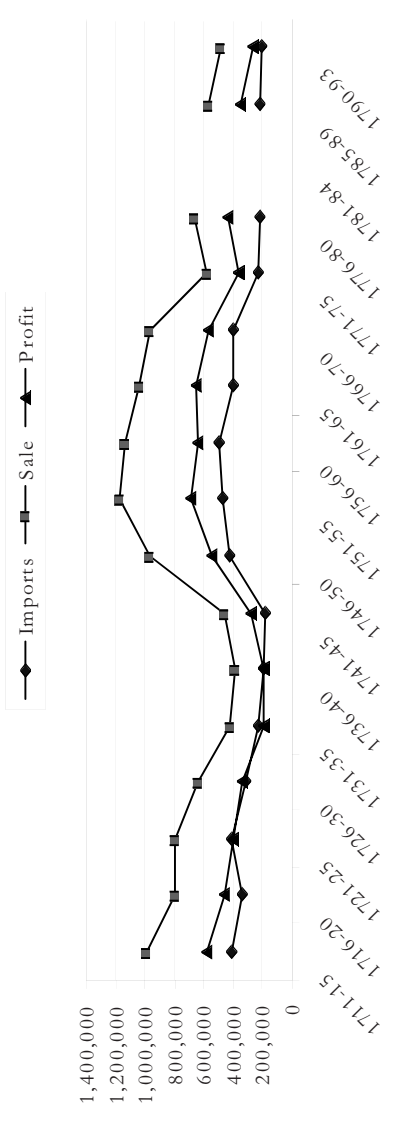
Year	Imports	Sales	Profits	Profits %
1711-15	408,924	983,916	574,993	146.6
1716-20	335,802	796,462	460,660	146
1721-25	404,380	799,299	394,919	105.2
1726-30	312,204	644,423	332,219	126.4
1731-35	229,430	419,295	195,035	89.6
1736-40	190,332	388,915	198,584	106
1741-45	178,979	453,502	274,523	176
1746-50	418,231	961,215	542,984	142.6
1751-55	474,751	1,165,845	689,894	153.5
1756-60	496,163	1,132,407	636,244	128.8
1761-65	394,266	1,043,318	649,053	168.4
1766-70	399,252	966,027	566,775	183.6
1771-75	223,961	583,340	359,379	178.8
1776-80	223,215	661,650	438,435	236
1781-84*				
1785-89	215,767	570,663	354,896	172
1790-93	210,366	480,173	269,807	140

\* The Company's commercial activities were suspended during these years on account of the Fourth Anglo-Dutch War.

Source: Based on figures in Appendix 4.

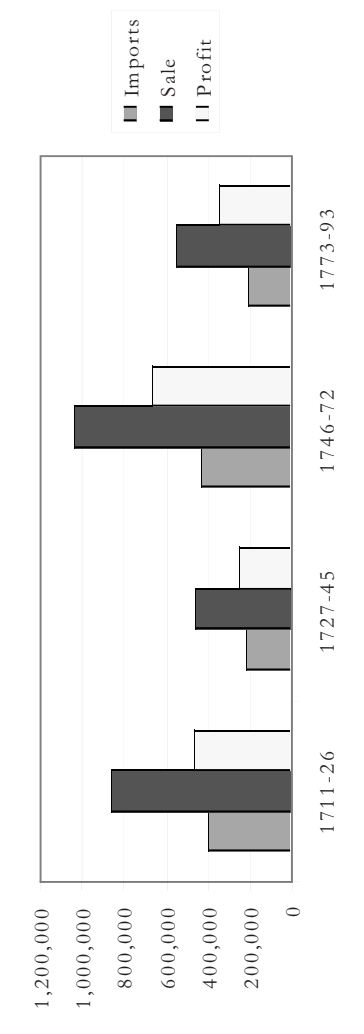
There were alternate phases of growth and decline in the VOC's trade in Gujarat in the eighteenth century and it is therefore hard to identify any long-term trend in the volume of its trade. To some extent, the ups and downs in the Company's performance in Gujarat reflect the periods of relative peace and stability and the ensuing large-scale exchange activities. They reflect the pulse of the economy, rhythms of production and trade in their respective phases. Since the VOC had a monopoly over the

Figure 4.1 Five-yearly average annual values of the VOC's imports, sales, and profits at Surat, 1711-1793 (in guilders)



Source: Based on figures in Appendix 4.

Figure 4.2 Changes in the average annual values of the VOC's imports, sales, and profits, 1711-1793 (in guilders)



Source: Based on figures in Appendix 4.

import of fine spices and Japanese copper, the data on the Company's imports and sales of these commodities may be interpreted as representing the extent of demand as well as the consumption propensity of the people in the region. The ups and downs in the volume of Dutch trade in Gujarat represents in a broader sense the expansion or recession in the region's economy in the eighteenth century from the point of view of imports, distribution and consumption of goods.

In the middle of the eighteenth century, while the English vigorously pursued their political ambitions in the subcontinent, the Dutch seem to have entertained no serious political ambitions.<sup>23</sup> This is apparent from their lukewarm response to every form of persuasion or even intimidation from the contestants for political power and control over the immense resources of Surat. For the Gentlemen Seventeen (*Heeren XVII*), the highest governing body of the Company in the Dutch Republic, the political acquisitions in South-east Asia—Batavia, territorial possessions in Java, and the Spice Islands—that gave them access to fine spices, the mainstay of their commerce, was of prime significance. That seeking similar territorial bases in India would in fact be a burden on the exchequer was evident from their experiences on the Malabar Coast and in Ceylon. Apparently, the Dutch followed a policy of neutrality in Surat and appeared as though they were committed to the peaceful pursuit of commerce. But they did not turn a deaf ear to political developments in Surat. Recent research has shown that even though they were disinclined to intervene directly, the Dutch manipulated from behind the scene together with local parties.<sup>24</sup> Even though the Dutch authorities, following the guidelines from Batavia, did not directly participate in the contests, they kept nevertheless close watch on political developments at Surat and did their best to ensure that the Company retained commercial rights and privileges regardless of who was victorious.

A major factor in the falling volume and value of Dutch trade in Gujarat in the last three decades of the eighteenth century was the fierce competition from other European Companies and private traders in the sale of certain key items. As will be discussed later, this growing European competition, visible in the large-scale import and disposal of goods like copper and sugar, and to a lesser extent spices, took away a large chunk of profits that the VOC formerly enjoyed as an exclusive supplier. In the second half of the eighteenth century, the Company's sales in Gujarat thrived primarily on three major items, namely spices (cloves and nutmeg), Japanese copper, and sugar. These were commodities that earned a maximum profit and thus were highly advantageous for the Company.<sup>25</sup> Let us now examine the commodity composition of trade in detail and analyse the changes in the respective importance of these goods in the total Dutch imports in Gujarat.

*Fine spices: cloves and nutmeg*

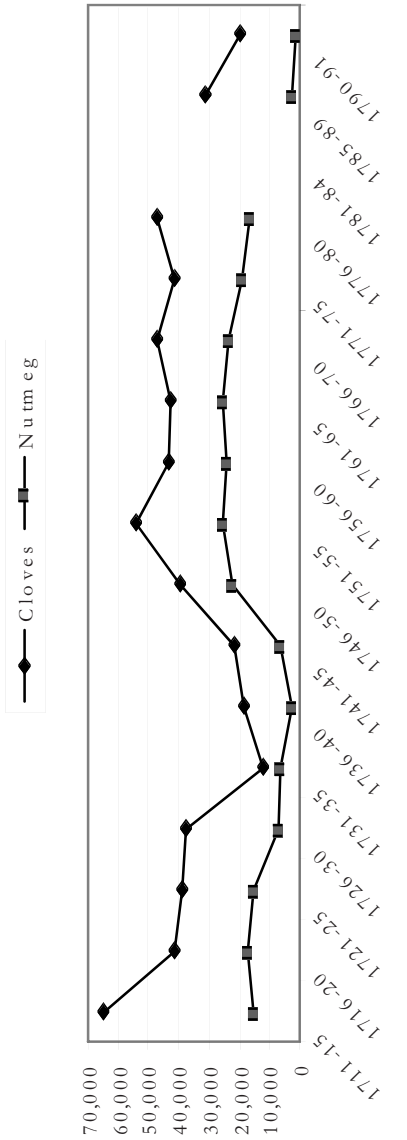
Fine spices were by far the most profitable items of trade in Europe as well as in Asia. The VOC was successful in maintaining its monopoly over the supply of fine spices until the late eighteenth century. Europe's growing demand for Indian textiles, especially cotton and cotton-silk piece-goods, from the late seventeenth century greatly undermined the advantages that the Company had enjoyed in the Euro-Asian spice trade in the seventeenth century.<sup>26</sup> Indian textiles became the prime mover of Euro-Asian trade in the eighteenth century and the acquisition of piece-goods came to be fiercely contested by all merchants, both the European Companies and private individuals. The demand for fine spices in the subcontinent and particularly in Gujarat, however, continued to be substantial and the VOC catered to this demand for much of the eighteenth century.

Among fine spices, cloves were the most important in terms of quantity annually sold by the VOC throughout the seventeenth and eighteenth centuries.<sup>27</sup> The Indian subcontinent was by far the most important market for—and within India, Gujarat was the single largest purchaser of—cloves and nutmeg.<sup>28</sup> Compared with the average annual import and sale of cloves by the Company in the second half of the seventeenth century, its sale in the eighteenth century was certainly much reduced. From an average annual import of 71,783 pounds (*ponden*)<sup>29</sup> of cloves during the years 1645–98, it declined to 37,874 pounds in the eighteenth century (1711–91).<sup>30</sup> In the first half of the eighteenth century, the quantity of cloves imported by the Company declined sharply from an annual average of about 65,000 pounds during the years 1711–15 to a record low of 12,265 pounds during the years 1731–5 (Figure 4.3).<sup>31</sup> Subsequently, imports increased, although the averages remained much below those of the early eighteenth century. Between 1745 and 1780, average annual imports fluctuated from a low of 39,426 pounds (1746–50) to a high of 53,879 pounds (1751–5).<sup>32</sup> In the post Anglo-Dutch War period once again, imports declined to an average of 25,610 pounds despite its high sale in the year 1788/9.<sup>33</sup>

Whereas the average annual import of cloves during the period 1711–91 declined by 47.2 per cent from the preceding half century (1645–98), in terms of sale value it declined by only about 24 per cent.<sup>34</sup> Thus a decline in the volume of imports of a given commodity did not necessarily translate into a proportionate reduction in the total money spent on its consumption. In this case, the imbalance was mainly due to the comparatively high sale price during the years 1711–68. Subsequently, however, the sale price of cloves did fall by about 20 per cent. The variation in price is represented by the comparative proportional changes in the sale of cloves in three periods, 1711–45, 1746–80 and

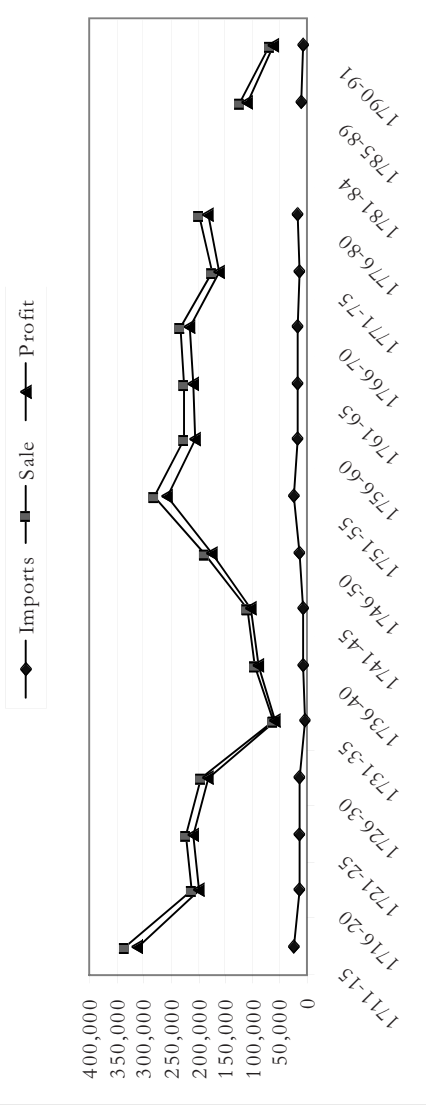


Figure 4.3 Five-yearly average annual imports of cloves and nutmeg into Surat by the VOC, 1711-1791 (in Dutch pounds)



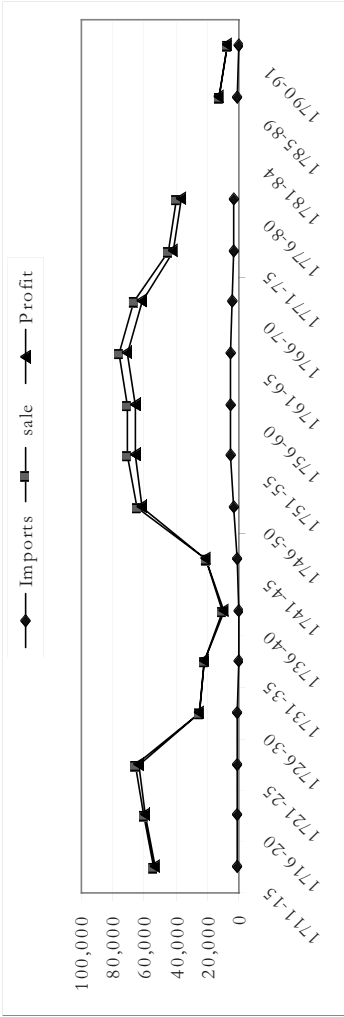
Source: Based on figures in Appendix 5.

Figure 4.4 Five-yearly average annual values of the VOC's imports, sales, and profits on cloves at Surat, 1711-1791 (in guilders)



Source: Based on figures in Appendix 5.

Figure 4.5 Five-yearly average annual values of the VOC's imports, sales, and profits on nutmeg at Surin, 1711-1791 (in guilders)



Source: Based on figures in Appendix 5.

1785–91. Whereas the average annual quantity of cloves sold during the years 1746–80 was 31.4 per cent higher than during the years 1711–45, the corresponding rise in the sale value was 22.9 per cent. In the period 1785–91, the sale of cloves suffered heavily and recorded a 43.1 per cent reduction in the volume sold and a 55.9 per cent fall in the sale value (Figure 4.4). This reversal in proportion of both volume and value was caused by the rising cost of cloves and a falling sale price in Surat.<sup>35</sup>

The VOC also catered to the demand for nutmeg, another important high-value spice, in Gujarat. The fortunes of the nutmeg trade paralleled that of cloves. In the 1700s, the annual average sale in terms of both volume and value was rather low compared to what it had been. In the middle of the century, however, sales improved substantially. The average annual sale of nutmeg grew from 10,457 pounds during the years 1711–45 to 22,241 pounds in the period 1746–80, an increase of about 112.6 per cent (Figure 4.3). The corresponding increase in the value of goods sold was higher by 66.8 per cent (Figure 4.5). This disproportionate growth in volume and value was the result of falling prices in the second half of the eighteenth century.<sup>36</sup>

It has been asserted that fine spices were consumed mainly by patricians, especially the Muslim aristocracy and other affluent sections of the society.<sup>37</sup> As the capital of the Mughal Empire and home to a large number of nobles and their households, Agra was long a major market for spices. From the early seventeenth century, the large north Indian demand was catered to from Surat. The Company was able to reap the benefit from this crucial market by disposing of part of its cloves and other spices at Surat and at its subordinate factories including the one at Agra. The eighteenth-century decline in the volume of trade in cloves and nutmeg was largely due to the disruption of this line of communication. Because the consumption of fine spices was, by and large, limited to more affluent members of society, the reduced sale of these spices reflects the diminished demand due to the Mughal aristocracy's loss of fortune.<sup>38</sup> This line of reasoning is based on the assumption that these spices were chiefly used as ingredients in the preparation of a variety of dishes of West and Central Asian origin.<sup>39</sup> They were also chewed with betel leaves. This was a popular custom in India especially among respectable families, and many elderly people were more or less addicted to this. Visitors to such families were also usually offered betel quids. Being an article of medicinal value, cloves must have been in demand for this purpose as well.

It has been argued that the subcontinent's demand for fine spices was inelastic over a wide price range.<sup>40</sup> According to Francisco Pelsaert, the Portuguese sold three times more cloves in Gujarat than what the VOC was able to dispose of in the early seventeenth century.<sup>41</sup> Pieter van Dam, the advocate of the VOC, pleaded for price reduction as a means of

improving the sale of spices in India. A counter argument was, however, put forward by Pieter de Witt, another advocate of the VOC, who believed that whatever the price, the demand for spices remained spectacular. His argument was based on the premise that even at a very high price the Company was able to sell a very large quantity of spices between 1664 and 1684. In his opinion the demand for spices was insensitive to price change.<sup>42</sup> In his study of VOC trade in Gujarat, Van Santen has highlighted the inadequacies of both arguments. He determined that it is impossible to arrive at a firm conclusion about price elasticity of demand due to insufficient data on the import of spices in Gujarat in the pre-monopoly period available to either Van Dam or to De Witt on the one hand, and to lack of information about the difference between the Company's sale price and the actual price at which consumers bought spices on the other.<sup>43</sup>

Any conclusion about the nature of the demand in the eighteenth century is quite likely to suffer the same inadequacies as those of Van Dam and De Witt, since as the century advanced the Dutch began to lose their grip on the spice trade. Other European and Asian merchants began to import spices into Surat from the VOC's other Asian establishments.<sup>44</sup> Unless we know the volume of cloves and other spices imported into Surat through other channels, our impression of the nature of demand for spices will remain tentative. Assuming, however, that the import of spices by merchants other than the VOC was only marginal, it may be concluded that the consumption of cloves and other spices decreased substantially in the eighteenth century. From the perspective of the regional economy, it is important to note that the amount spent on spices, though reduced, remained substantial.

There was a great deal of debate among the Company's authorities in Amsterdam, at Batavia and its other Asian dependencies over the stability of the Asian minimum price for spices and its consequences on their sale in Asia and Europe.<sup>45</sup> Since spices were bought at an extremely cheap price in South-east Asia, it was understood that a large demand for spices could be generated by selling them cheaply in Gujarat. The price of cloves and nutmeg, however, was kept high in India and elsewhere in Asia in order to prevent other merchants from buying them cheaply in Asia and selling them at a profit in Europe.<sup>46</sup> The fact that even at such an exorbitant price the demand for spices was rather substantial in Gujarat suggests the region was not bereft of affluence and prosperity. The misfortunes suffered by the prosperous mercantile community of Gujarat certainly reduced spice consumption. The mid-century political crises in Surat and the subsequent loss of revenue to the Marathas and the English adversely affected the material fortunes of the Muslim political elite in large parts of Gujarat and north India as well as in the Deccan. The erosion of

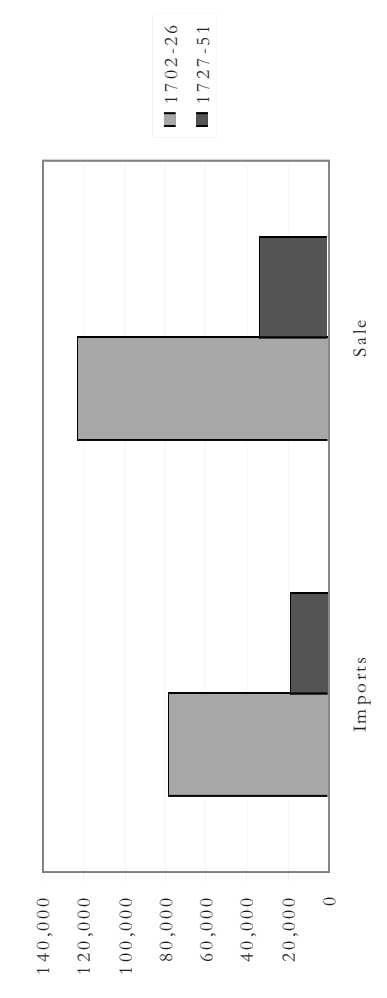
Nawabi culture at Surat, Broach, Cambay, Ahmadabad, and many other places seems to have had an impact on spice consumption. To some extent, this was compensated for by the growing affluence of the Marathas at Pune, Bassein, and Baroda, which in many respects helped, at least temporarily, retain the crumbling Muslim Nawabi culture.<sup>47</sup>

The VOC's trade in cloves and nutmeg declined after the Fourth Anglo-Dutch War, albeit for an altogether different reason. Whereas the Gujarati market was inundated with cloves, the sale of nutmeg suffered from its sheer paucity.<sup>48</sup> Private English, Portuguese and other merchants also began importing large amounts of cloves to Bombay and eventually to Surat.<sup>49</sup> In his memoir of 1792, A. J. Sluijsken attributed the sharp decline in the Company's sale of cloves in the post-war period not to reduced trade or falling consumption in Surat and its interior, but to the fact that private Portuguese and English merchants from Batavia and Cochin were supplying ever greater amounts of cloves. Whereas earlier a little more than 25,000 pounds of cloves from Cochin could be sold at Surat, between 1784/5 and 1787/8, an average of more than 41,000 pounds was annually put up on the market.<sup>50</sup> The growing supplies of cloves and the consequent fall in its sale price eventually led not only to a decline in the absolute sale value of the Company but also diminished its total net profits. On the other hand, poor crops led to average annual sales of nutmeg in the post-war period of little more than 2,000 pounds as against a modest calculation of about 10,000 pounds that could have been sold by the VOC every year.<sup>51</sup>

### *Pepper*

A prime article of trade in the seventeenth century, pepper gradually lost ground in the early eighteenth century.<sup>52</sup> Unlike cloves and nutmeg, the production of pepper was widespread in South-east Asia and it was grown on a large scale on the Malabar Coast of south-west India. The VOC was unable to establish any sort of monopoly over its supplies in any part of Asia and had to share this enterprise with other European Companies and Asian merchants. European demand for pepper was strong and it commanded a high price, so it was much more profitable to export pepper to Europe than to sell it anywhere in Asia, although they did so.<sup>53</sup> Pepper purchased in Bantam and other parts of South-east Asia and, after 1663, on the Malabar Coast, was mainly intended for the European markets. In Asia, the main markets for the Company's pepper were Persia, Japan and Taiwan. Gujarat was also a major market in the Indian subcontinent and the European Companies imported substantial quantities of pepper there. The English East India Company (EIC) alone annually imported, on

Figure 4.6 Changes in the average annual values of the VOC's pepper trade at Surat, 1702-1751 (in guilders)



Source: Based on figures in Appendix 6.

average, more than a million pounds of pepper into Surat, and in the early eighteenth century, Dutch pepper imports into Gujarat occasionally exceeded a million pounds.<sup>54</sup>

For the VOC, Gujarat enjoyed no particular priority in the allocation of pepper and its imports there fluctuated quite sharply from one year to the next. In 1701/2, imports exceeded 1.03 million pounds while two years later it was only 171,402 pounds. In the first quarter of the eighteenth century, the Company's average annual import into Surat was about 556,472 pounds (Appendix 6). In the second quarter, it declined sharply to average annual imports of 132,946 pounds. The average annual value of pepper imported and sold in Gujarat in this period represents a drop by about 76 and 73 per cent respectively of their value in the period from 1702 to 1726 (Figure 4.6). In the second half of the century, it disappeared almost completely, and there are only four entries after 1751. A combination of circumstances seems to have contributed to this, chief among them a decline in pepper production in South-east Asia, competition from other European and Chinese buyers, and a weakening of the VOC's influence and military powers.<sup>55</sup> As the rulers of Travancore, Martanda Varma (1729–58) and Rama Varma (1758–98), pursued a vigorous commercial policy by exerting a royal monopoly over the pepper trade, it became increasingly difficult for the Dutch to procure this article on the Malabar Coast.<sup>56</sup>

From the fact that Gujarati shipping along the Malabar Coast expanded rapidly after the mid-eighteenth century, it may be assumed that local merchants brought to Gujarat as a return cargo whatever pepper they could get hold of at Cochin or elsewhere on the coast. From the extant shipping lists, it is evident that some non-European ships returning from Malabar brought pepper to Surat. In 1772, for instance, 70,000 pounds of pepper was imported by local ships that returned in a convoy from Malabar.<sup>57</sup> The EIC and private merchants also seem to have continued to import pepper into Surat in the late eighteenth century.

### *Copper*

Another major import of the VOC into Surat was copper. Its sources were limited to only a few places in Asia, namely Japan and Persia. India had some copper mines but the output could hardly meet the demands of the subcontinent. Copper was used in a wide variety of applications, including numerous items of household utility, particularly vessels. The metal was also important in the manufacture of accoutrements of cavalrymen all over the region.<sup>58</sup> Although our sources are silent in this regard, it may be argued that copper was also in demand on account of the growing impor-



tance of artillery in eighteenth-century warfare. It was used in the casting of cannon made of bronze, an alloy of copper and tin. Cannon were used not only in pitched battles by the Marathas, the Mughals, and the Europeans, they were also installed on the ramparts of the towns and on large ships and vessels. Keeping in mind the size of cannon, it may be surmised that a huge quantity of copper was consumed in their manufacture.

However, most copper was probably used in minting coins of lesser denomination current all over the subcontinent. Economies on either the gold standard, like that of the region to the south of the Vindhya, or the silver standard, as in the north, both needed copper coins for smaller transactions.<sup>59</sup> Since the Dutch monopolised the supply of Japanese copper throughout Asia, they could supply a large amount of copper to the subcontinent where by the end of the sixteenth century the economy was substantially monetised and the demand for copper was high. By the seventeenth century, local copper mines in Rajasthan and central India were almost exhausted and the region depended largely on Dutch imports of Japanese copper.<sup>60</sup> Dutch supplies from Japan remained the major source of copper for the Mughal coin (*dam*) in the seventeenth century.<sup>61</sup> On account of its monopoly in Japanese copper, the Company could fix a high price in India and earned profits of about 170 per cent. Whereas this target was easily achieved in the second half of the seventeenth century, profits declined sharply in the early eighteenth century as its purchase price went up in Japan.<sup>62</sup> The average annual profit in the first four decades of the eighteenth century remained about 59 per cent of the import value (Appendix 7). Conditions improved again in the second half of the century when the purchase price in Japan began to fall again starting in 1743.

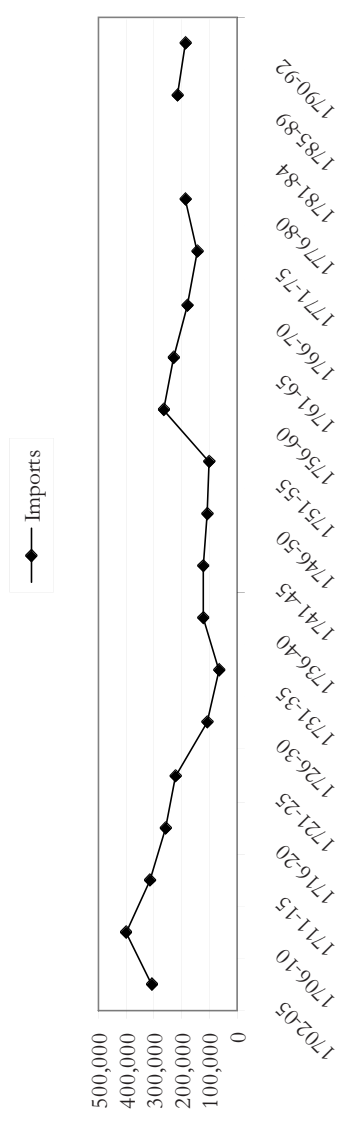
The Dutch annually supplied more than one million pounds of Japanese bar copper to Bengal, Coromandel and Gujarat, India's three major textile producing regions. Through its sale the Company could raise from 15 to 20 per cent of its total investment in export goods and about a third of the value of its textile exports.<sup>63</sup> Together with fine spices, copper was a mainstay of Dutch trade with India and became even more crucial for the accumulation of funds for investment in Indian textiles in our period of study.<sup>64</sup> The VOC's monopoly over the supply of Japanese copper was challenged from two quarters from the start, but especially after the middle of the eighteenth century. First, Chinese merchants exported Japanese copper to China, and eventually they began to sell a large amount in China, Vietnam, and many parts of South-east Asia.<sup>65</sup> Asian merchants sailing to China and elsewhere in the east could also purchase large quantities of Japanese and Chinese copper for importation into South Asia.<sup>66</sup> Copper was also available at Batavia, where the

Company could not prevent its falling into its competitors' hands. The merchants of Gujarat sailing to these parts could without difficulty get hold of this metal which guaranteed a good profit.<sup>67</sup> Second, the European importation of English and Swedish copper into Surat in the last years of the century greatly undermined the Dutch commercial position in the subcontinent. Armed with political powers at Surat, the English tried, with considerable success, to substitute English for Japanese copper as the primary ingredient in minting coins. A large quantity of Persian copper was also imported into Surat by merchants trading with West Asia, especially Basra and Masqat.<sup>68</sup> The effects of these challenges were, however, limited and could in no way deter the VOC from importing and selling a large quantity of Japanese copper in Surat and its interior.

Western India had an enormous appetite for copper. In the mid-eighteenth century, the Dutch alone could think in terms of selling about 800,000 pounds in a year when there were no obstructions to trade. The sale of copper in Gujarat by the Company represents a curious trajectory. Quantitatively, it dropped sharply after 1710. From a peak five-yearly average of above 400,000 pounds during the years 1706–10, it declined to a meagre 61,850 pounds during the years 1731–5. Subsequently, phases of improved sales alternated with periods of slow decline (Figure 4.7 and Appendix 7).

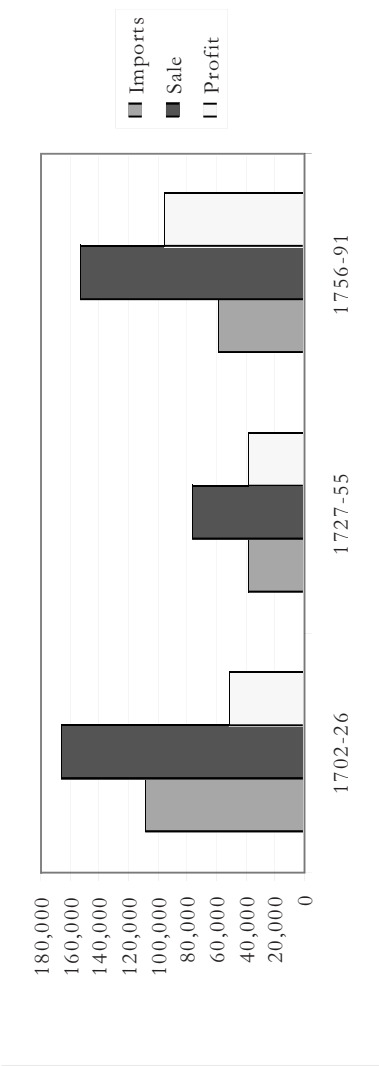
As we can see in Figure 4.8 (and also Figure 4.9), the average annual value of goods when purchased declined by about 64 per cent in the period 1727–55 whereas the value when sold declined by about 54 per cent and the profit by 26.8 per cent. In the last phase (1756–91), the average value of goods purchased rose by 50.2 per cent while the value of goods sold increased by 100.8 per cent and profits by 152.7 per cent of the respective averages during the preceding period, 1727–55. The improvement is even clearer if we compare the last phase with the period 1702–26. Whereas in the last phase, the average annual value of goods purchased was about 46 per cent less than in the first phase, the value of goods sold declined by only 7.7 per cent. Profits, on the other hand, were higher by about 85 per cent than the average annual profit in the first phase. This was largely because the sale price rose from an average of about 66 guilders per 100 pounds in the first quarter of the century to 94 guilders per 100 pounds in the late 1750s and early 1760s. On the contrary, the cost price declined rather sharply from about *f* 41 per 100 pounds to *f* 31 in the middle of the century.<sup>69</sup> The average profit earned on the sale of copper thus rose from 45 per cent in the first quarter of the century to 97 in the next three decades. Subsequently, even though the average sale price declined to *f* 65, the average profit in the second half of the century remained rather high, about 164 per cent, precisely because

Figure 4.7 Five-yearly average annual volumes of copper sold by the VOC at Surut, 1702-1792 (in Dutch pounds)



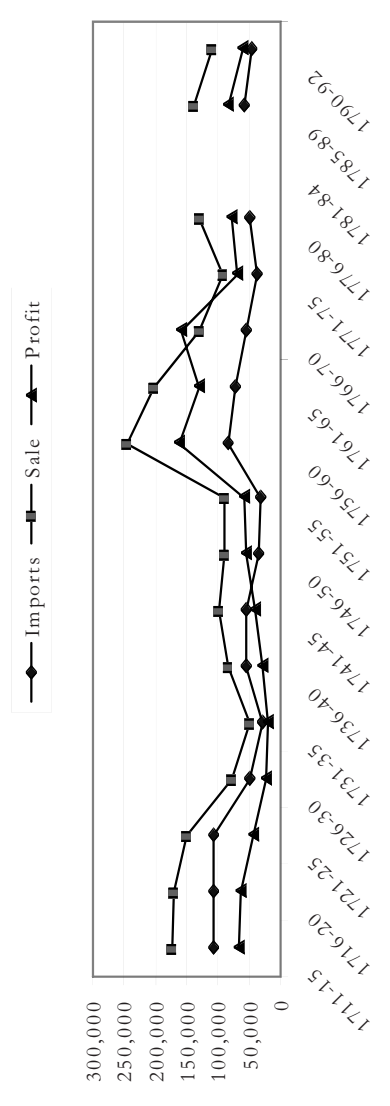
Source: Based on figures in Appendix 7.

Figure 4.8 Changes in the average annual values of the VOC's imports, sales, and profits on copper at Surat, 1702-1791 (in guilders)



Source: Based on figures in Appendix 7.

Figure 4.9 Five-yearly average annual values of the VOC's imports, sales, and profits on copper at Surat, 1711-1792 (in guilders)



Source: Based on figures in Appendix 7.

the cost price had declined further to about *f* 25 per 100 pounds in the last quarter of the century (Appendix 9).

In terms of volume, the VOC's sale of Japanese copper in Gujarat certainly declined in the eighteenth century. The VOC was the chief importer of copper into Surat until the middle of the eighteenth century, from which time other European Companies and merchants began to import Swedish and English copper into Bombay and Surat. Since Japanese copper was known as the best copper for minting *paisa*, the VOC had no problems in disposing of a large quantity of it every year. The merchants who bought it from the Company were assured of getting it quickly minted into coins. Even though the Mughal mints were open to all, the local governors sometimes manipulated the working of the mint.<sup>70</sup> Such interference was, however, exceptional and its effectiveness was rather limited. The Dutch authorities at Surat also knew how to circumvent such obstructions and secure from the local officials a preference for Japanese bar copper in coining *paisa*.<sup>71</sup> When the Company's commerce in Gujarat revived in the middle of the eighteenth century, its privileged position in copper trade was fiercely contested and the large-scale supply of Swedish and English copper deprived the VOC of the benefits from its exclusive control over the supply of Japanese copper to western India.

The large supply of European copper to Surat by Swedish, English, and other merchants had a deflationary effect on the price and often forced the Dutch to sell its merchandise at a low price.<sup>72</sup> The supply of European copper grew from the early 1770s onward. This is evident from the available figures of its imports by the EIC into Bombay (a large part of which was eventually brought to Surat). Whereas from 1750 English imports of copper had been consistently large, they grew substantially in the 1770s and until the end of the century the average annual figure was about one million pounds.<sup>73</sup> It has been argued that in the early eighteenth century a combination of factors such as the low production costs in Europe and a rise in its Asian price led to the 'reappearance of sizeable amounts of Swedish copper in Asia under English, "Ostend", and Danish auspices'.<sup>74</sup> By the 1770s, the English had left all others behind in supplying this metal to Surat.

The impact of the large-scale import of European copper was severely felt by the VOC in Surat. In 1773, Surat registered the lowest percentage profit on the sale of Japanese copper of all the Company's trading stations on the subcontinent.<sup>75</sup> The English import of copper reached an alarming 1,200,000 pounds in 1789. This had an adverse effect on its price because they had to sell it quickly to raise funds for the purchase of cotton for the five ships sailing to China that season.<sup>76</sup> The problems for the Dutch in the sale of copper were aggravated in the late 1780s and 1790s, because

the Treaty of Paris that concluded the Fourth Anglo–Dutch War in 1783 gave the English political supremacy in South Asia. By offering private English merchants free freight services and by removing import duties at Bombay and Surat, the EIC's encouragement to copper importers adversely affected the VOC's copper trade. Essentially a measure to facilitate treasury transfers to England, this removed the merchants' incentives for buying copper and other merchandise from the Dutch. The difference of price at which merchants bought copper from the English and the VOC grew substantially.<sup>77</sup> This double-edged weapon enhanced the English imports of copper and enabled them to sell it at a low price.<sup>78</sup> In 1792, the Dutch had to return to Batavia a part of their copper which was lying unsold at Surat.<sup>79</sup>

According to our sources, the greatest difficulty in selling copper resulted from wars and political unrest. Despite the fact that much copper was converted into coins in Surat itself for circulation, the up-country (*bovenlanden*) and the Deccan were spoken of as places where a large quantity of copper was consumed. In normal circumstances, the Dutch could think of selling about one million pounds in the Deccan itself.<sup>80</sup> In the 1750s, the Company disposed of a part of its copper and sugar imports through subordinate factories at Kachh, Dandarajapuri, and Bassein.<sup>81</sup> These enterprises proved to be temporary as the efforts to establish trading outlets at these places had to be abandoned. The Maratha struggle for supremacy and the ensuing military movements in large parts of the interior, their contest with the Afghans culminating in the Battle of Panipat in 1761, and their conflicts with the rulers of the Deccan, undoubtedly hampered trade. Under such circumstances, it became quite hazardous for merchants to transport goods to the interior where they were actually consumed. Several instances of such obstructions in our sources give the impression of a chaotic situation in the interior.<sup>82</sup> Such portrayals appear exaggerated and owe something to the Dutch authorities' efforts to impress their superiors with evidence of their diligence in matters of trade. The invocation of uncongenial conditions was the result of their inability to sell it at the stipulated price. Apart from occasional failures under extraordinarily uncongenial conditions, the Company's disposal of Japanese copper in Surat remained rather substantial. The massive import of Japanese and European copper and its sale in Gujarat and its surroundings clearly negates the notion of an indigenous incapacity to consume this plentiful metal.

Contrary to the general impression of a chaotic Maratha regime in western India, recent studies have highlighted the undercurrents of economic stability and even growth in the late eighteenth century. As Frank Perlin has argued, there was a spurt in the expansion of money use and monetary activities in the western Deccan from the 1740s onward, a

phenomenon that he characterises as a 'renaissance of mint activity' in which copper played a vital role.<sup>83</sup> In the eighteenth-century western Deccan, reforms in the taxation systems under the auspices of the Maratha regimes of the Holkars, Sindhias, Gaikwars and Pawars and the growing frequency in the use of copper coins across the breadth of the social spectrum seem to have contributed to the triumph of copper over all other base-currency media as a means of small-scale transactions even in remote rural areas.<sup>84</sup>

### *Sugar*

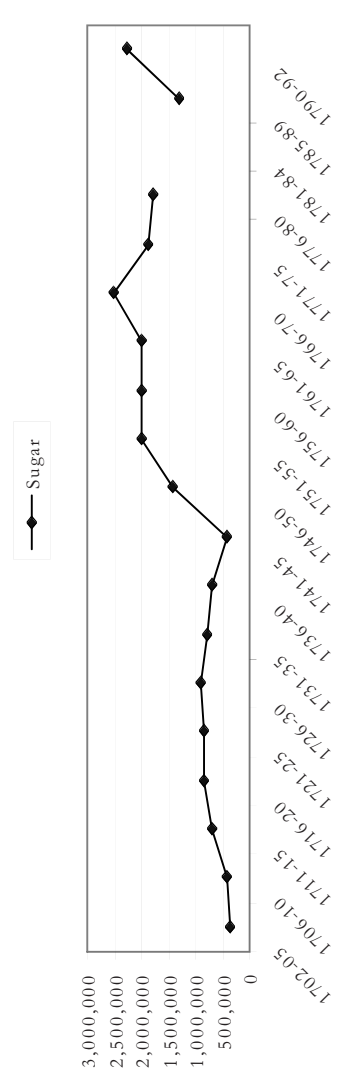
Unlike spices, sugar was produced domestically as well as imported.<sup>85</sup> At several places within Gujarat, half-refined jaggery (*jagersuiker*) was produced which was probably consumed by the poorer sections of society. A better variety was imported from Bengal by sea and via river-and-land routes. A phenomenal growth in the supply of sugar to Gujarat by the VOC in the eighteenth century was possibly a result of a growing production of sugar around Batavia and elsewhere on Java.<sup>86</sup> As there was no corresponding rise in the European demand for sugar, the Company had to explore markets within Asia. Until the early 1720s, Persia and Japan were the two major markets for sugar in Asia. The collapse of the Safavid Empire in 1721 and the subsequent Afghan incursions into Persia adversely affected the prospects of trade in the Persian Gulf region while Chinese competition in the supply of sugar cut into the Company's exports to Japan from the early 1730s onwards.<sup>87</sup> The Company tried, with a great deal of success, to compensate for the loss of its Persian markets by importing and selling a much larger quantity of sugar to western India than ever before.

Formerly, the Company had traded in Bengal sugar, a large quantity of which was exported to Persia, and other places. In the eighteenth century, however, this had come to be almost entirely replaced by South-east Asian sugar. The Company's total average annual sale of about 700,000 pounds during the years 1701–45 consisted of sugar from Java and Batavia. The Company's import of both powdered sugar (*poedersuiker*) and sugar candy (*candijesuiker*) into Gujarat actually took off in the late 1740s. In the following two decades, sugar imports jumped to an annual average of about 2 million pounds. It is to the Company's credit that it succeeded in generating and catering to a large demand for this commodity. The rapid growth in the Company's trade in sugar in Gujarat may be discerned from the fact that in 1766 Senff proposed an annual import target of 4 million pounds of sugar.<sup>88</sup>

If we look at the moving averages (Figures 4.10 and 4.11), a stable high

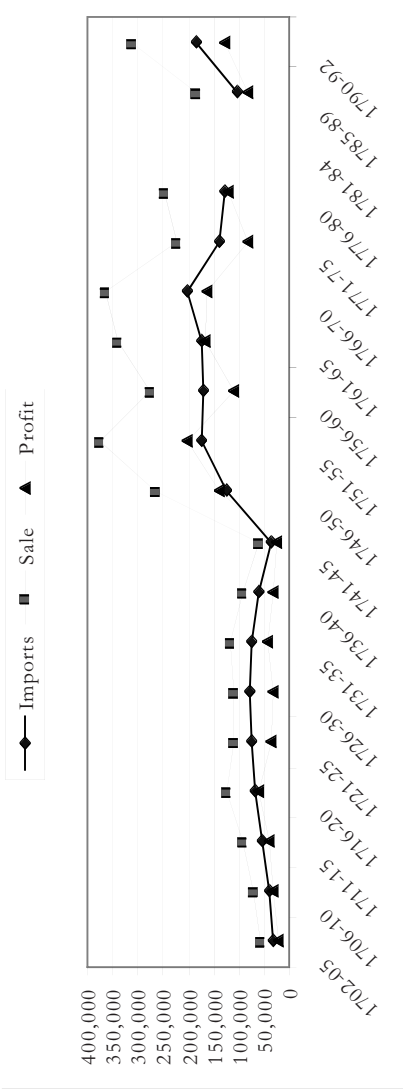


Figure 4.10 Five-yearly average annual volumes of sugar sold by the VOC at Surat, 1702-1792 (in Dutch pounds)



Source: Based on figures in Appendix 8.

Figure 4.11 Five-yearly average annual values of the VOC's imports, sales, and profits on sugar at Surat, 1702-1792 (in guilders)



Source: Based on figures in Appendix 8.

average annual sale of sugar is identifiable in the second half of the eighteenth century. The 1750s and 1760s were the most dynamic decades because in these years the value of sugar sold in Gujarat was the highest the Company ever achieved. The average annual sale value between 1750 and 1772 was f 341,157—32 per cent of the total value of goods annually sold by the Company during this period. Thereafter, even though it declined, the average annual sale value remained well above f 130,000 (Appendix 8).

Was there any actual growth in the demand for sugar in Gujarat or did the VOC's imports simply replace Bengal sugar? It has been argued that the import of sugar from Batavia was at the expense of Bengal sugar which was driven out of Gujarat.<sup>89</sup> Asian merchants and European private traders continued to import Bengal sugar both through the coastal water route as well as the river-and-land route. The import of Bengal sugar by local merchants remained a source of anxiety for the Dutch even in the 1760s. From some shipping lists it is evident that sugar comprised a major part of the cargo of the ships coming from Bengal. Actual consumption seems to have expanded during this period thanks to the larger supply of sugar by the Dutch and later by other European Companies especially the French.

By the late 1740s, the VOC had realised the importance of sugar in the scheme of its trade in Asia. Despite the efforts of the High Government at Batavia to limit access to South-east Asian sugar to the Company alone and to eliminate competition at Asian destinations, especially Gujarat, a substantial quantity found its way to other major trade centres of the region.<sup>90</sup> One such destination for Java and Batavia sugar was Malacca, which was accessible to all merchants and the Companies. As Senff wrote in 1766, 'the best and greatest quantities [of Java sugar] were brought in small vessels to the Strait of Malacca or Benkahulu [Benkulen] and from there to Bombay and Surat in English and country [*inlandse*, that is Gujarati] ships'.<sup>91</sup> Unlike spices over whose sources of supply the Dutch had exclusive control, the trade in sugar was shared by all other merchants and the Companies. The VOC therefore faced stiff competition from many directions. The most formidable challenge came from other European Companies which imported large quantities of sugar to Surat. The English and the Portuguese procured sugar from Batavia, Malacca, and China and imported it into Bombay and Surat.<sup>92</sup> A major part of the sugar imported into Bombay eventually landed in Surat to be redistributed throughout the interior. The EIC and private English merchants acquired large quantities of sugar from island South-east Asia (Batavia and Malacca), the Portuguese sources were mainly in Macao and Canton [Guangzhou] in China, and the French produced sugar on plantations in Mauritius. Private English merchants and Asians also competed fiercely to

get a share in this flourishing trade. They sailed to Batavia, Malacca or China with textiles and other commodities and returned with cargoes of sugar and other merchandise.<sup>93</sup>

In the eighteenth century, the VOC also supplied large quantities of castor sugar to Cochin on the Malabar Coast, whence it was re-exported to the West Asian ports by Arab and Persian merchants.<sup>94</sup> A quantity of sugar also found its way to Surat through local merchants who thought it worthwhile to buy it cheap on the Coast and sell at a higher price in Gujarat.<sup>95</sup> Large imports of sugar naturally disturbed the equilibrium and often caused a fall in price. It caused great inconvenience to the Dutch in their disposal of sugar and eliminated the possibility of a favourable bargain with the brokers.<sup>96</sup> Under these circumstances, the only option left to the Dutch was to regulate their own imports of sugar in accordance with the market conditions at the receiving end. In the annual Surat demand for goods from Batavia, therefore, their request for sugar often depended on the amount of sugar others procured at Batavia for importation to Gujarat.<sup>97</sup> Scattered evidence testifies to the fact that the total import and sale of sugar in Gujarat by all European Companies and local merchants was much larger than ever earlier and that there was a substantial growth in the demand for this commodity. Our knowledge of the nature of the local demand for sugar is rather limited. The consumption of sugar and many other commodities is culturally determined and certain societies have particular food habits in which sugar occupies an important place. Analogous to their eighteenth-century predecessors, Gujaratis even today generally consume more sugar daily than others in eastern or southern India.

Sugar with a rich content of glucose is an important component of everyday food in tropical societies. In warm climatic conditions, people in every household with even a modest income tend to consume sugar in drinks and beverages and in a variety of foods. Its large-scale consumption was occasioned by marriages and festivals. Some annual religious festivals—*Eid* (Muslim), *Nauroz* (Zoroastrian), and *Diwali* and *Holi* (Hindu), among many others—were occasions when sweets and other dishes prepared with sugar were shared by and distributed among people of the community as well as across communities. The festival of light (*Diwali*), which marks the beginning of the year, was celebrated with great pomp and show while sweets were exchanged and consumed by people. The Dutch and their brokers at Surat had great expectations from this festival as this was the time when the merchants, to whom sugar was delivered on credit, sold a great quantity and were able to pay the brokers. There were other occasions when the distribution of sweets constituted an essential part of the celebration. Among some affluent Muslim households, sweets were also distributed to celebrate the birth of a child and

circumcision.<sup>98</sup> An almost universal use of sweets was—and continues to be—in the form of gifts when people visited their relatives and friends.

Marriages were by far the most important occasions when enormous amounts of sugar were consumed.<sup>99</sup> Depending upon their social status and economic potential, the families of the bride and the groom had to feed their kinfolk, relatives and friends as well as all other acquaintances. The wedding feast was a social obligation and was reciprocal in nature. Each household therefore had to invite, apart from its kinfolk, everyone who had formerly invited the members of that family on such occasions. A variety of sweetmeats and desserts was a popular and essential part of the meal served on marriage occasions. The sale of sugar depended on marriages to such an extent that in 1766/7, it was unmarketable as that year was an inauspicious one according to the Hindu calendar and consequently no marriages took place.<sup>100</sup> Thus, the trade in sugar was very much entrenched in the food culture and socio-religious practices of the people of Gujarat. Whatever the occasion, the large-scale consumption of sugar may have been the result of a general prosperity and opulence among the people of Gujarat.

As the sugar trade was open to all European Companies and a multitude of private traders, the volume of sugar imported into Gujarat was huge. Even though a part of the sugar imported into Surat was relayed to regions like the Deccan, Kachh, Sind, Multan and even Tibet, a large part of it was consumed in Gujarat itself. What appears to have happened is that a large cluster of relatively prosperous intermediate and subaltern groups began to consume, or probably to increase their consumption of, sugar in the eighteenth century.<sup>101</sup> This was the result of a vibrant economy with a free and widespread circulation of money and increasing numbers of people having rather good and stable earnings in manufacturing or the service sector and in trade, as we have seen in Chapters Two and Three. The revisionists have put forth an optimistic view of the eighteenth-century political economy in some parts of the subcontinent, and their notion of a much broader distribution of resources as a consequence of political decentralisation seems useful in explaining the growth in consumption of goods like sugar.

### *The VOC's exports from Gujarat*

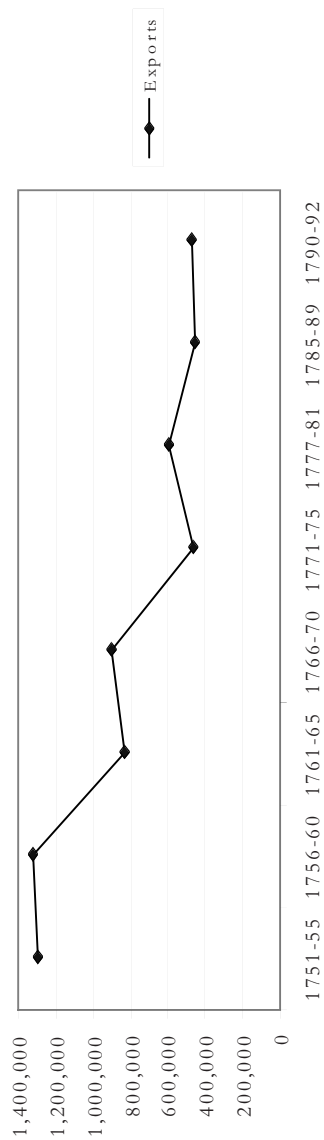
The sale of imported goods was not an end in itself, for the proceeds were intended to be invested in cotton and a variety of textiles produced in Gujarat for Asian and European markets. When sold in South-east and East Asia, these textiles generated large profits and enabled the Company to procure fine spices and other items for European and Asian markets.

Between 1671 and 1721, about 57 per cent of the textiles procured in Gujarat by the VOC was exported to Europe while the remaining 43 per cent was meant for Asian markets. In the subsequent period, more than 60 per cent remained within Asia and a little less than 40 per cent was exported to Europe.<sup>102</sup> As noted earlier, the Dutch had the most extensive inter-port trading network in Asia of all European traders, a fact that gave them economic efficiencies. Their monopsonistic control over the sources of fine spices, copper, and to a lesser extent sugar, gave them a tremendous cost advantage over other European Companies. As the net profit on textiles in Europe was in no way comparable to that of fine spices, the Dutch exported most Indian textiles to their Asian establishments in the eighteenth century.

From a modest start in the early 1620s, the Company's exports from Gujarat took off and by the late 1630s exceeded a million guilders.<sup>103</sup> Subsequently, the average annual exports from Gujarat fluctuated between *f* 700,000 and *f* 1,200,000 until 1750.<sup>104</sup> Two major qualitative changes in the pattern of Dutch trade in Gujarat seem to have taken place in the seventeenth century. By the 1640s, indigo, which comprised the largest proportion of exports destined almost exclusively for Europe, slowly lost its pre-eminent position and was replaced by a variety of textiles.<sup>105</sup> A sudden rise in the value of exports from Gujarat in 1637/8 and 1638/9 was thus a result of this change in the commodity composition of exports and the increased share of textiles in proportion to other commodities, by 56 and 52 per cent, respectively.<sup>106</sup> The second change occurred from about 1660, when a fairly large amount of the Company's trade surpluses from Gujarat began to be transmitted in cash to some of its other establishments in Asia.<sup>107</sup> In the late 1690s and early 1700s, the average annual value of goods exported to Europe and Asia was unusually high, but it declined in the first half of the eighteenth century. From 1745 onward, Dutch exports from Gujarat again improved substantially. The average annual value of exports during the period 1751–70 was *f* 1,087,828. Subsequently, it declined sharply—about 54 per cent—to an annual average of *f* 498,858 between 1771 and 1792 (Figure 4.12 and Appendix 10).

Since the Company purchased export goods from the proceeds from sales, the value of its exports from Gujarat corresponded with that of its imports in the eighteenth century. The high value of exports in the 1750s and 1760s was the result of consistently high proceeds from sales. In these years, the Company's average annual exports from Gujarat exceeded one million guilders. This period represents the high point in the history of Dutch trade in Gujarat. Apart from the export of silver specie, the consistently high export figures were the result of an unprecedented increase in the volume and value of textiles and other goods the Company sent to

Figure 4.12 Five-yearly average annual values of the VOC's exports from Gujarat, 1751-1792 (in guilders)



Source: Based on figures in Appendix 10.

Batavia for the Asian markets (*see* Appendices 10 and 11). While the Company did a booming business in Gujarat during this period, its trade with West Asia had shrunk to such an extent that the authorities at Batavia and Amsterdam deemed the Company's continued presence there unfeasible.

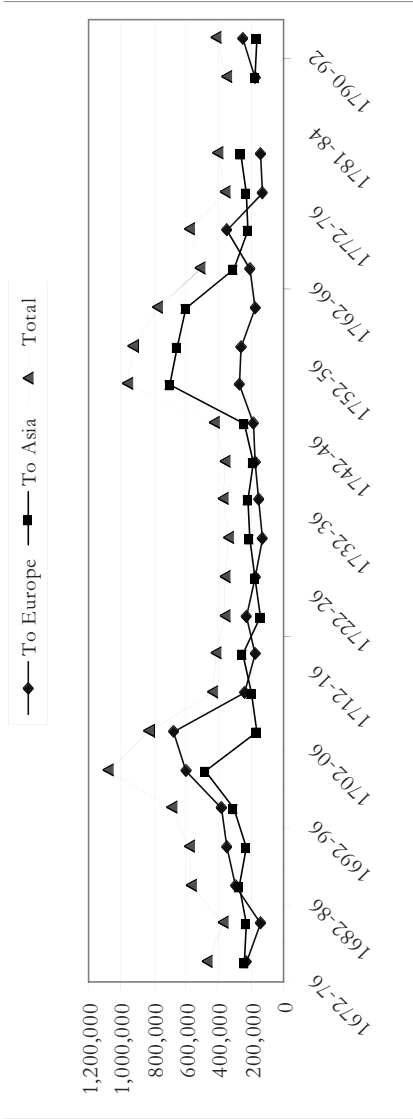
This was the culmination of a process that began in the second quarter of the eighteenth century, largely as a consequence of the collapse of the Safavid Empire in 1722 and the ensuing political instability in the Persian Gulf region.<sup>108</sup> By the early 1750s, the Dutch were finding it difficult to carry on their trading activities in the Persian Gulf. The Afghan occupation of Persia, Nadir Shah's expeditions, and rebellions and factional fighting after Nadir Shah's death in 1747 caused dislocation in the trade of the Persian Gulf. Consequently, the Dutch presence at Bandar Abbas and Basra became an economic liability rather than a source of commercial advantage.<sup>109</sup> The diminished turnover of trade at both places, conflict with the local authorities at Basra, and the role of the English in this, convinced the Company's authorities at Batavia and Amsterdam of the futility of a continued presence there.<sup>110</sup> Bandar Abbas was given up in 1759 and soon after that the Dutch left Basra as well. They did, however, find a haven at Kharg which, at least temporarily, promised some trade. But the political turmoil soon engulfed Kharg as well, compelling the Dutch to withdraw from there in 1766 and finally to abandon all trade relations with the Persian Gulf.<sup>111</sup> The English faced a similar situation but, for rather curious geopolitical reasons, they continued in the Gulf even though the insignificant commercial advantages did not warrant their staying there.<sup>112</sup> The loss of West Asian markets, formerly an invaluable source of trade surpluses and precious metals, was a heavy blow to the Dutch commercial enterprise in the western Indian Ocean.

The participation of the Dutch in the Red Sea trade had already stopped in 1755 when the Gentlemen Seventeen forbade sending ships to Mokha.<sup>113</sup> In part this was due to the large production of coffee in Java under the Company's auspices. Whereas the Dutch had previously invested about *f* 300,000 to *f* 400,000 every year in Mokha coffee, the procurement of this article from Java had rendered the former irrelevant for the Company.<sup>114</sup> Apparently textile exports to Mokha had already fallen off by the middle of the century and the loss of the trade was not a disaster for the Company's commerce in Gujarat.<sup>115</sup> The Dutch certainly lost the channel that kept them supplied with silver and gold species, especially the ducats that they needed to buy pepper on the Malabar Coast. At Surat, the Company was able to finance its exports from Gujarat and also provide funds to other establishments in Asia.

Fluctuations in the value of exports from Surat over the four decades

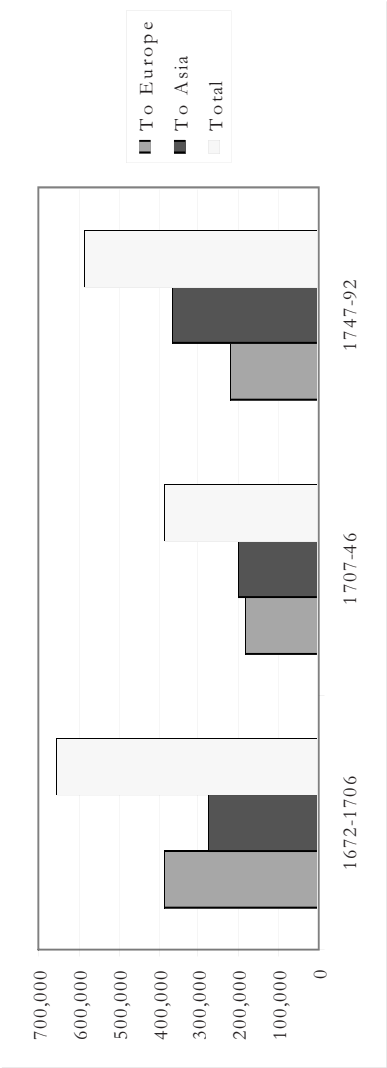


Figure 4.13 Five-yearly average annual values of the VOC's exports from Gujarat, 1672-1792 (in guilders)



Source: Based on figures in Appendix 11.

Figure 4.14 Changes in the average annual values of the VOC's exports (excluding cash) from Gujarat, 1672-1792 (in guilders)



Source: Based on the figures in Appendix 11.

between 1750 and 1792 look stunning. The steep fall in the Company's export value in the period 1771–92 should not be taken as an indicator of any deficiency in production or supply of cotton and textiles. If we take into account the actual export of merchandise from Gujarat, the change over a long period is not so spectacular. Excepting the unusually large exports during the last years of the seventeenth and early years of the eighteenth century (between 1696/7 and 1705/6) and again in the late 1740s and 1750s, the average annual exports remained rather stable throughout the late seventeenth and eighteenth centuries (Figure 4.13 and Appendix 11). In the seventeenth and early eighteenth century, Europe had a larger share than Asia in the Company's total export (of goods) from Gujarat. Thus their respective shares were about 57 and 43 per cent in the period 1672–1721. Subsequently, this position reversed, and more than 60 per cent of the Company's exports from Gujarat circulated within Asia, while Europe received less than 40 per cent. In terms of total investment in cotton, textiles, and other merchandise, the average annual value in the last phase is less than the corresponding value in the first phase (1672–1706) by only about 10 per cent (Figure 4.14).

A considerable part of the Company's sale proceeds in Gujarat was remitted in cash to their other Asian establishments such as Cochin, Ceylon, Bengal and Batavia. This was partly a measure to pay for spices in Ceylon and textiles in Bengal. As Jan Schreuder argued, trade surpluses from Surat could be more advantageously invested in export goods in Bengal.<sup>116</sup> It seems that the demand for Gujarat textiles was also limited in Europe, where Bengal piece-goods fetched a higher profit than the variety from Gujarat. By the middle of the century, European markets were flooded with good quality textiles imported by the EIC. Under these circumstances, the Dutch authorities in Amsterdam had to control textile imports from the subcontinent. Between 1741 and 1759, a number of articles formerly exported from Gujarat to Europe disappeared from the annual invoice of goods to be bought in Surat.<sup>117</sup> It was thus deemed more profitable to invest the surplus from Gujarat elsewhere in more profitable merchandise. During the years 1751–68, about 35 per cent of the total exports from Gujarat was in the form of silver rupees.<sup>118</sup>

This is also evident from the fact that the average annual export of textiles from Gujarat remained rather modest even when the proceeds from sales were quite high. In 1759/60 and 1760/1, less than one-third (31.6 per cent) of total exports was in merchandise as against 68.4 per cent that was transmitted in cash (Appendix 10). After 1770, as the sale proceeds declined, the export of treasure also diminished. It remained only marginal in the next twenty years when, barring a few exceptions, no large remittances were made from Gujarat. Raw cotton, cotton yarn, and textiles of different kinds, especially cotton and cotton-silk mixed, made up the bulk

of total exports from Gujarat. The consistency with which the VOC was able to procure export merchandise in Gujarat even under adverse circumstances demonstrates the stability of the market economy and resulted from the market-driven relationship with its suppliers and brokers.

*Methods of procurement: the VOC and its 'leveranciers'*

Unlike the brokers of the EIC who took care of their Company's investments in export goods in Surat and elsewhere, the VOC brokers were mainly concerned with the disposal of imports.<sup>119</sup> To procure cotton and textiles the VOC availed itself of the services of suppliers, called *leveranciers* in the Company records, who undertook to supply fixed quantities of goods of a specified quality. In the eighteenth century, Dutch investments in export goods were overseen by two suppliers. In the middle of the century, the Parsi merchants Sorabji and Ratanji served as suppliers to the Company.<sup>120</sup> The duo and later their sons, Bahramji Sorabji and Harmuzji Ratanji respectively, contracted every year to supply different types of textiles per the orders received from Batavia and Amsterdam. Local brokers sometimes procured cotton, textiles, and other merchandise at the subordinate factories on behalf of the Sorabjis and Ratanjis.

On being informed of the Company's export requirements, the suppliers proposed to supply different types of textiles at certain prices. If agreeable to the authorities, the investment was formalised in a written contract stipulating the quantity and quality of goods and a definite time frame within which they had to be delivered to the Company. The quality of the crops, the vulnerability of local transportation systems to political instability, and the demand for goods all determined the prices of exports. The Dutch authorities at Surat quite successfully responded to the demands put before them by their superiors at Batavia and the Dutch Republic throughout the period under study. The Company usually provided the suppliers with an initial advance in cash—usually Rs 100,000, or about one-fourth of the total investment. The balance was paid out upon delivery of each instalment of goods.<sup>121</sup> The Dutch followed different methods of procurement depending upon the local circumstances in different parts of the subcontinent.<sup>122</sup>

The Company had the least difficulty in dealing with the suppliers because throughout the period the latter consistently honoured the terms of the contract to the best of their ability.<sup>123</sup> This seems quite remarkable at a time when the English were confronted with severe problems with their contractors who often failed to deliver the amount or quality of goods ordered.<sup>124</sup> Unlike in Bengal where, as Prakash has argued, the

VOC suffered from the problems of bad debts throughout the seventeenth and early eighteenth centuries, at Surat the instances of suppliers' indebtedness to the Company are hardly discernible.<sup>125</sup> On the contrary, the Company was often indebted to the suppliers and had to come up with ways to pay them off.

It is thus evident that the decline in the VOC's absolute value of exports from Surat in the last quarter of the century was an outcome of its diminishing proceeds from the sale of its imports. Rather than a reflection of the region's inefficiency of production and trade or a collapse in local demand, this was the result of a concatenation of adverse circumstances. The financial crisis, Anglo-Dutch rivalry, the inconveniences in its trade with Japan, evaporating monopsony in the trade in spices and copper, and many other factors contributed to this state of the Company's commerce in the Indian Ocean. Let us now turn our attention to other European Companies and traders who competed with the Dutch and briefly analyse their contribution to the quantity of goods imported into and exported from Gujarat during this period. This will help us better appreciate the rising or declining fortunes of the VOC from the perspective of the local economy.

*European competition: growing challenges and the VOC's response*

In so far as production of export merchandise is concerned, there was no major structural change in the course of the eighteenth century. The poor performance of the Company in the last quarter of the century is not attributable to any incapacity of the regional economy in terms of either demand or supply. It has been noted above that the fall in the Company's sales in Gujarat in the late eighteenth century does not testify to a decline in consumption except in the case of fine spices. As Chapter Five will show, there was no decline in the production potential of the region either. In the 1750s, the Dutch were able to procure large quantities of cotton, yarn and textiles because the sale proceeds in these years were large and because they could obtain a part of their requirements from Kachh and Navanagar.<sup>126</sup> The severe competition among European Companies and private European traders and Asian merchants seems to have caused hardships for the VOC in Gujarat in the late eighteenth century.

From around 1760, the EIC enhanced its investments in export goods at Surat and these grew after 1765 as their establishments at Bombay and Surat began to be provided with surplus funds from Bengal. This, coupled with an annual influx of merchants from West Asia eager to buy textiles, adversely affected the Dutch investments.<sup>127</sup> The merchants' readiness to

buy whatever was available even at high prices greatly undermined the Dutch position at Surat and their ability to bargain for cheaper prices. The Company's strict compliance with the prescribed quality of the samples forced the Dutch authorities at Surat to reject whatever did not meet the required standard. At a time when merchants were pouncing on anything available in the market, this turned to the advantage of the weavers or merchants who could sell the rejected stuff to others at an even better price.<sup>128</sup> The resident at Broach even proposed that the Dutch authorities in Gujarat should have the liberty to accept textiles for the Company even if they were a little inferior to the samples.<sup>129</sup>

The most formidable challenge came from the English whose growing investment potential was now backed by the political power necessary to ensure the procurement of cotton and textiles. Since the 1750s, their presence in Cambay, which provided a special kind of cloth known as *keesdar*, took away from the Dutch the possibility of obtaining textiles there.<sup>130</sup> Dutch complaints about English highhandedness, to which they attributed their inability to acquire textiles, should not be accepted at face value. The English were no less perturbed by the growing demand for textiles from customers other than the Dutch and the Portuguese.<sup>131</sup> The real advantage of the English lay in their access to liquid money and their on-the-spot flexibility in purchasing textiles. The participation of English private merchants in the export of cotton to China and other places in South-east Asia under the patronage of their Company grew enormously in the late eighteenth century. Despite all Dutch efforts to monopolise the export of silk and cotton textiles from Surat to Batavia, English and many other Asian merchants could sneak in with a cargo of textiles to many of the Dutch strongholds.<sup>132</sup> In the early 1770s, the English occupation of Broach increased the problem of procurement, as for all intents and purposes the Dutch lost the advantages of having a factory there. The Maratha occupation of most of Surat's hinterland hindered the Company's trade in the interior.<sup>133</sup> The Anglo-Maratha wars subsequently disrupted the flow of goods to such an extent that in 1775 the VOC's suppliers demanded a 20 per cent increase in textile prices.<sup>134</sup> The trading enterprise of the VOC was severely hit by the Fourth Anglo-Dutch War and the subsequent English takeover of their establishments in the sub-continent. The Company at Surat lost about Rs 100,000 when the English removed from its warehouses all the merchandise that the Dutch had procured through suppliers, and it then had to suspend all commercial activities for three years (1782-4).<sup>135</sup> By the time the Company resumed its activities in 1784/5, a new set of problems had arisen as the interior, now under joint Anglo-Maratha auspices, became increasingly inaccessible to them.<sup>136</sup> As one of the clauses of the peace between the English and the Marathas stipulated that no European Company would

be allowed to have a factory at Broach, it was no longer possible for the Dutch to maintain their presence there.<sup>137</sup>

By 1790, the English were the largest exporters of cotton and textiles to different parts of the world. Whereas the EIC exported a large quantity of various textiles, mainly piece-goods to Europe, private English traders engaged in inter-port trade within Asia, and especially to China. There was a great demand for west-Indian cotton in China and the export of cotton there was considered by English merchants at Bombay and Surat as a convenient means of remitting funds to Europe.<sup>138</sup> In 1789, the English exported 30,000 bales of cotton—about 44 per cent of the total—from Gujarat to China.<sup>139</sup> For the English, this branch of trade was so crucial that in the same year the Bombay authorities reprimanded the Surat Council for the adverse consequences of an inferior consignment of cotton.<sup>140</sup> Chinese demand was such that conditions in China began to determine the price of cotton in Gujarat.<sup>141</sup> Under such circumstances, ensuring a supply of cotton and textiles became a major concern of all the Companies and merchants. The adverse consequences of fierce competition among buyers of cotton and textiles were not specific to the Dutch; others, notably the English, the Portuguese and Armenians, suffered from the same problem. The ability of the Portuguese to procure textiles on a large scale starting in the 1790s compels us to explain the Dutch failure in terms of something other than a failing regional economy.

The Dutch activities in Gujarat were closely monitored by the High Government in Batavia and thus the Company's commercial performance at Surat was quite sensitive to the fate of the Dutch presence in Asia generally. A major structural change in the relationship between the home country and the Company in Asia seems to have occurred around the mid-eighteenth century, when the interference of the former in the affairs of the latter grew. After the War of Austrian Succession (1741–8), as George Winius and Markus Vink have argued, the 'tendency toward insulation between the two spheres seems to have evaporated completely'.<sup>142</sup> The Company's policies in Asia began to be regulated and often dictated by the authorities in the Dutch Republic. In formulating policies to be pursued in Asia, the latter were primarily concerned with the implications of such policies for European continental politics. The Estates General constantly warned the Company not to take any measures in Asia which might disturb the peace in Europe. The message was then transmitted to individual establishments on the subcontinent to avoid involvement in politics, especially if they might provoke reactions from other European powers. Despite such efforts, the war between the Dutch Republic and England that broke out in 1780/1 had its fullest expression on the Indian subcontinent. The Dutch establishments at Surat, on the Coromandel Coast, and in Bengal were taken over by the English and their commer-

cial activities remained suspended for about three years. This was a severe blow to the already attenuating commerce and finances of the Company. The shortage of funds pushed the Company more and more into the direct control of the home authorities who in turn tightened their grip over its affairs. Whereas for most of the late eighteenth century the Company ran at a loss in Malabar, Ceylon, and Bengal, the relatively brief suspension of business at Surat and Coromandel, the two most promising establishments, threatened the Company's very existence. The Company faced a severe financial crisis and consequently the total investment in goods for many factories declined substantially in the post-war years.<sup>143</sup> Surat, however, performed comparatively better as after a decline in 1784/5, total investment registered a reasonable improvement (Appendix 10).

### *Conclusion*

Trade revenue as the sum total of imports and exports is a fundamental index of economic change. The above analysis serves to explicate three major aspects; namely the dynamics of Dutch trade in Gujarat in the eighteenth century, the role of this trade in the Company's intra-Asian commerce, and the implications of Dutch trade for the economy of Gujarat. The data presented in this chapter testify to Gujarat's crucial importance in the Company's intra-Asian trading network. Thanks to the large demand for fine spices, pepper, sugar and copper, this was the only place in South Asia into which the Company did not have to import bullion. The value of goods sold by the Company was often much higher than the value of exports purchased there, and the resulting surplus could be remitted to its other establishments. Until 1770, this 'goods for goods and bullion' pattern of trade was a prominent feature of Dutch trade in Gujarat. In the subsequent period, the inability of the Dutch to remit funds from Surat to other Asian establishments must have caused some strain to the Company's intra-Asian commerce. In terms of total value of trade, the Company experienced alternate phases of boom and slump in the eighteenth century. No perpetual downward trend is discernible in the eighteenth century. The high average value of the Company's trade in Gujarat during this period may be attributed to the region's vibrant market economy.

The changing volume and value of Dutch trade had some implications for output, income and employment in the economy of Gujarat. The above analysis demonstrates that the economy lacked no potential for growth and it responded well to the increased demand for cotton and textiles. The Company's large-scale exports, amounting to an annual average



value of *f* 750,249 during the years 1747–71, must have generated enormous employment and income to the people involved in the textiles industry. Together with the job opportunities offered by the Company to sailors, artisans and labourers discussed in Chapter Two, this injected a large amount of money into the regional economy. The English and Portuguese investments in cotton and textiles on a large scale and the former's acquisition of a share in the fiscal management of Surat offered additional income and employment opportunities to producers, manufacturers and merchants. The evidence for the European Companies' and private merchants' trade testifies to a large output of merchandise and the Gujaratis' great tendency to consume in the second half of the eighteenth century.

## CHAPTER FIVE

### THE GUJARAT ECONOMY: POTENTIALITY AND PERFORMANCE

An important and somewhat distinct feature of the Gujarat economy, as the preceding chapters have shown, was the stable market in which exchange and production relations were determined mainly by economic forces. Exchange is a fundamental attribute of markets no matter how one defines the term, and the scale of demand and supply reflects the market's economic potential and performance. On account of the large-scale maritime trade, the demand for cotton and textiles was enormous and so were the imports of sugar, copper, spices and many other commodities into the region. In late eighteenth-century Gujarat, European demand for cotton and textiles was extensive and the volume of the European Companies' imports much larger than perhaps earlier. In the following pages, I analyse the scattered evidence for Euro-Asian demand and the degree to which producers and manufacturers expanded production to accommodate the large-scale demand for their products in order to see whether the region experienced economic growth in the so-called age of economic decline.<sup>1</sup>

Gujarat possessed physical features that contributed to making it commercially the most important region in western India. Gujarat obtained prominence in Indian Ocean commerce by putting on the market a variety of commodities that were in great demand in Europe and Asia. Initially indigo but later on a variety of coarse and fine textiles, raw cotton and cotton-yarn attracted a voluminous oceanic trade. The supply of these commodities depended on agricultural production since they were obtained by processing indigo leaves and raw cotton. Indigo and cotton were by far the most important commercial crops and they were grown extensively throughout the region.<sup>2</sup> The soil, climate, rainfall and many other factors favoured cultivation of these crops in various parts of central and southern Gujarat. The tract of land between Ahmadabad and the southern fringes of the *sarkar* of Surat, which included major production centres like Sarkhej, Baroda, Jambusar, Broach, Navsari, and Gandevi, had black and sandy soil most suitable for cotton and indigo cultivation.<sup>3</sup> At various places on the Kathiawar peninsula and in Kachh the soil was suitable for cotton cultivation. The production base for an extensive trade was not confined to Gujarat alone; it extended over other adjoining regions which complemented the supply potential of Gujarat.

Regions like Sind, Lahore and Multan in the northwest, Delhi and Agra in the north-east, Malwa, and parts of the central and southern peninsula, roughly comprising the Deccan, were in many respects integral to the economy of Gujarat. These regions not only supplied export goods to Gujarat but also had a considerable share in what was imported into Surat. Some scholars attribute this aspect of these regions' commercial integration and the remarkable consistency with which the flow of exchange was maintained to the stable political economy of the Mughal Empire.<sup>4</sup>

Another factor was, of course, the coming of the European Companies in the early years of the seventeenth century. European demand for indigo and textiles certainly stimulated production and accelerated the process of exchange. In his analysis of the impact of European demand on textile production in Bengal, Om Prakash concludes that the substantial exports of textiles by the Dutch East India Company (VOC) led to an expansion in total output and income in the economy and generated employment for many people.<sup>5</sup> This has some validity for western India too. The supply sector responded quite well to the rising external and internal demand for merchandise. Thus in seventeenth-century Gujarat, trade and manufacture increased on an unprecedented scale. As the terms of trade favoured Gujarat, it received a large amount of precious metals, especially gold and silver, in exchange for its merchandise. The influx of silver was crucial for the maintenance of the Mughals' standardised monetary system.<sup>6</sup> The tri-metallic currency regime and the credit and exchange networks contributed immensely to the expansion of commercial activities.<sup>7</sup> There was, therefore, a convenient convergence of all these factors and circumstances that rendered the atmosphere highly conducive to trade and production.

In the early eighteenth century, the political economy of a large part of South and West Asia went through a period of crisis. The province of Gujarat had been exposed to Maratha political ambitions from the 1660s, when Surat was twice sacked and plundered by Shivaji. In the 1720s and 1730s, the local governors and other nobles pounced on mercantile property. The eyewitnesses I'timad Ali Khan and Ali Mohammad Khan have left detailed accounts of official extortion and the plight of merchants (*tujjar*) and bankers (*sarrafan*).<sup>8</sup> According to the latter, extortion was conducted with such severity that a city like Ahmadabad, formerly known as *zinat-ul bilad* (beauty of cities) due to its manufacture and trade, was stripped of much of its wealth and prosperity and became like a bird without feathers (*murgh-i be par-o bal*).<sup>9</sup> Things were no different in Surat, where mercantile property was equally susceptible to extortion by local political factions. In the early 1730s, at least two prominent merchants, Mulla Mohammad Ali and Ahmad Chalebi,

became victims of power politics and lost their lives and family fortunes.<sup>10</sup>

After the economy of Gujarat suffered a severe setback in the second quarter of the eighteenth century, production and commerce revived rather quickly. Agriculture and craft production resumed, trade communication with the interior was mostly restored and merchants and the European Companies were again active on different routes. The strength of the mercantile community of Surat in the middle of the century was impressive. In 1750, Jan Schreuder, the Dutch director of Surat (1740–50), recorded in his memoir a list of about 175 affluent merchants who together possessed capital of Rs 8,742,000.<sup>11</sup> The aggregate, even if it was low in comparison with the estimates of wealth possessed by a few individual merchants of Surat in the seventeenth and early eighteenth centuries, was certainly a large sum that was invested in rapidly rejuvenating commerce.<sup>12</sup>

#### *Mid-century economic recovery*

Once the Marathas established their control over Gujarat after their occupation of Ahmadabad and its *mahals* in the early 1750s, a phase of economic recovery seems to have followed. On the initiative of the Maratha *Peshwa* Balaji Baji Rao, known in common parlance as Nana Saheb, peace was ensured in the region. The industrious craftsmen and producers who had formerly deserted the capital city were induced to return.<sup>13</sup> The restoration of productive processes was also facilitated by the emigrants' desperation to return to Ahmadabad since nowhere else they could find a climate as suitable for the production of certain types of cloth as in that city.<sup>14</sup> Much to the wonder of contemporaries, this tendency of Gujarati merchants and artisans to return to their respective cities and places contributed to the revival of the economy and trade in the region. The *Peshwa's* deputy at Ahmadabad, Shankarji Pandit, persuaded the Dutch authorities to re-establish their factory in the city. Anticipating good prospects of trade and industry, starting in 1754 Dutch factors at Ahmadabad were actively selling their imports and procuring return goods for Batavia and Europe.<sup>15</sup> At the same time, however, Surat itself was in the grip of a grave crisis caused by factional fights for the coveted post of *mutasaddi* (governor). Some merchants and manufacturers, therefore, returned to Ahmadabad in the early 1750s.<sup>16</sup> The other major cities and trading centres of Gujarat also experienced economic and commercial revival.

Having been plundered and suffered severe economic loss at the hands of the Marathas in the 1720s, Cambay regained its commercial vitality in the second half of the century.<sup>17</sup> The textile industry flourished again as

demand for its products was consistently strong and emigrant-manufacturers from Ahmadabad and other places appear to have added to its production potential. The English maintained a factory there mainly for the purchase of textiles, especially *keesdar*. The Dutch envied the English East India Company's (EIC) having a factory at Cambay and also sometimes procured textiles there through their brokers.<sup>18</sup> Cambay was also an important—and perhaps the only local—source of coral, an article much in demand in Europe, and the EIC and private English merchants annually sent large quantities to England.<sup>19</sup> Since this also constituted part of the VOC's return cargoes from Gujarat, there was a degree of competition that sometimes pushed up the price.<sup>20</sup> Cambay's thriving industry and commerce in the middle of the century was so tempting that the Dutch authorities at Surat in fact proposed setting up a factory there.<sup>21</sup>

The *parganas* in the vicinity of Cambay produced indigo. Although it was no longer a major export to Europe by the late seventeenth century, a small market for it remained there and it was also in demand in the markets of West Asia.<sup>22</sup> The English continued to purchase quantities of this article for export and even took measures to expand the production base by encouraging indigo cultivation in their other presidencies.<sup>23</sup> At first, the English authorities at Surat commissioned enquiries into the practice of indigo cultivation and manufacture practised in Cambay. In 1763, as the next step, the Surat chief asked the Company's resident at Cambay, William Bowyear, to obtain a quantity of the best seed for the purposes of cultivation and production elsewhere.<sup>24</sup>

There appears to have been a great upsurge in the demand for indigo in the 1780s and 1790s which forced the English to introduce its cultivation at different places under their presidencies. This was because the supply of West Indian indigo was severely affected by the loss of trans-Atlantic English colonies. Since Cambay remained a major source of indigo in this period, the English tried to obtain large quantities of Cambay indigo seeds for transplantation elsewhere.<sup>25</sup> Cambay suffered heavily in 1790–1 when a dreadful plague ravaged some parts of Gujarat. Surat lost about a third of its population, and Cambay also witnessed large-scale mortality. The resulting death and emigration of weavers and artisans adversely affected textile production.<sup>26</sup> The English attempt to encourage indigo cultivation in their other presidencies in India may be interpreted as a measure to diversify production so that, if one part was affected, other sources would remain intact. The English also alleged that a number of artisans and merchants deserted Cambay for Surat or Bombay because the local administration was oppressive.<sup>27</sup>

Although the European Companies contracted for most of their export requirements with their suppliers at Surat, Cambay in fact contributed a considerable portion of their purchases. In the last decade of the century

the EIC had its Cambay brokers get about Rs 100,000 worth of textiles every year.<sup>28</sup> In addition, the Dutch and other merchants also purchased Cambay textiles. In 1798, the EIC took control of Cambay and made concerted efforts to expand the industry by inducing those artisans and manufacturers who had previously emigrated to Surat or Bombay to return, and by inviting others to settle there for the first time.<sup>29</sup> They assured weavers and manufacturers protection from oppression and ill-treatment at the hands of contractors and sub-contractors. Since a variety of textiles from Cambay was in demand in Europe and as the EIC's investment in Gujarat had gone up to about a million rupees, it was worth its while to deploy every means to expand its textile industry. In the early nineteenth century, according to the Company's resident at Cambay, goods worth more than Rs 600,000 were exported annually, even though the Company's overall share was rather small.<sup>30</sup>

Broach was the most important region in Gujarat for the production of the best quality cotton and a variety of textiles.<sup>31</sup> Whereas Broach was known for a variety of dyed cloth, several villages in its vicinity and the *parganas* of Jambusar and Amod produced the best cotton in Gujarat. During the period under review, a large proportion of cotton exported from Surat to Bengal and China came from here, and in 1789 this region produced an estimated 48,000 bales, of which more than three-fourths were exported.<sup>32</sup> Except in unfavourable circumstances, when crops failed due to either too much or too little rainfall, the region catered to the large European and Asian demand for cotton and textiles throughout the second half of the eighteenth century. From the records of the VOC and the EIC it is evident that on account of its fineness, a large part of cotton exports from Gujarat by these European Companies came from Broach and its environs. Until 1772, a portion of the textiles exported by the VOC from Gujarat was purchased through its factory at Broach. The EIC and Portuguese merchants in fact competed with each other for textiles from this region. In 1798, several merchants were listed as advancing money to weavers and buying piece-goods for Portuguese merchants.<sup>33</sup> The evidence of merchants competing with each other for Broach textiles seems to contradict the impression some scholars have gathered, on the basis of indigenous sources, that a lack of demand for calico and 'the fast deteriorating economy of Broach' forced the Parsi community to look for alternatives and caused their migration *en masse* to Bombay.<sup>34</sup> In the late 1790s, the industry expanded further as the EIC attempted to harness the potential of this region by encouraging weavers to produce a wide range of textiles to satisfy English demand.<sup>35</sup>

Bhavanagar also emerged as a major centre for the production of cotton and textiles in the eighteenth century. Although the quality of cotton was not as good as that of Broach, Bhavanagar cotton was important as it

complemented the total supplies from Gujarat. About 90 per cent of its total produce, which in 1789 was estimated to be 28,000 bales, was exported. Located on the western shores of the Gulf of Cambay, Bhavanagar became a major recipient of European imports shipped through Surat. Since this region provided access to the Kathiawar Peninsula and the northern subcontinent as far as Tibet, Surat merchants preferred to use this route for sending their merchandise to different markets in western Gujarat and further to the north and northwest. About 1760, the chief of Bhavanagar sought English assistance in his fight against local rivals. In return, the chief surrendered half the port's customs revenue to the English, who farmed out their share to the highest bidder every year. We do not know how much import or export duty was collected there, but from the cost of the lease, it is evident that in some years the turnover of trade was rather high. During the years 1777–81, the half of the customs revenue of Bhavanagar farmed out averaged about Rs 11,000 annually (Appendix 1). If calculated at the rate of 2.5 per cent customs, the total value of goods transacted through this port in a year would amount to about Rs 220,000. But the amount for which the revenue was annually farmed was the money paid to the Company, so the actual collection of customs by the farmers must have been usually higher still.

In western Gujarat, the Gulf of Kachh littoral was politically dominated by the powerful chieftaincies of Kachh and Navanagar. To some Mughal chroniclers and many other contemporaries, Kachh was known as a place where the best horses were bred in South Asia<sup>36</sup> and Navanagar as a major pearl fishery. Both *aspan-i Kachhi* (Kachhi horses) and *marwarid-i Navanagari* (pearls of Navanagar) were important items of trade. In the eighteenth century, both principalities were recognized by the Europeans as prominent centres of cotton and textile production.<sup>37</sup> In their endeavours to explore markets for their imports and a possible source of cotton and textiles, in 1751 the Dutch established an outlet at Mandvi, a port-town in Kachh. From there, they also reached the southern shores of the Gulf of Kachh and tapped the rich productive resources of Navanagar. They not only sold a part of their imports there in the following years but also obtained some cotton and textiles.<sup>38</sup> Although the Dutch venture in the Gulf of Kachh ended abruptly in 1758, the region nevertheless remained a source of cotton and a variety of textiles in the subsequent period.

Surat remained, of course, the most important centre of textile production and its industry provided the largest share of textiles exported by the European Companies from Gujarat. Surat's manufacturing sector expanded rapidly in the 1730s and 1740s as a number of artisans and manufacturers moved from the interior to Surat, which then enjoyed relative peace and stability. As the European Companies withdrew from

the interior, they came to depend for a large part of their exports on the city's manufacture. As noted in Chapter Two, with a large population and a large number of looms Surat became the mainstay of Gujarat's textile industry in the second half of the eighteenth century. It is thus evident that Gujarat's major production areas recuperated quickly once peace was restored in the region.

Economic dislocation due to political disturbances or natural disasters was not new in Gujarat. In the seventeenth century, the region had suffered several such calamities but the economy had recovered quickly afterwards.<sup>39</sup> The early eighteenth-century crisis was likewise ephemeral. Once the uncertainty regarding political control of Gujarat was settled by the Maratha occupation of Ahmadabad and Baroda, peace and prosperity returned quickly. The Marathas were, after all, concerned with the material prosperity of the region under their control, and they are known to have made efforts to ensure the safety and security of mercantile property.<sup>40</sup> The studies of Frank Perlin and Stewart Gordon have demonstrated that the territories under Maratha rule experienced economic growth in the eighteenth century, as may be seen from the region's increased agricultural production and the spread of monetisation, especially the large-scale use of copper coins.<sup>41</sup> Gujarat under the Marathas also seems to have undergone a similar metamorphosis. It did not take too long after the slump of the 1720s and 1730s for vibrant economic activity to resume in Gujarat in the following decade. There were certainly occasional scarcities of cotton and textiles that pushed up their price but these were caused either by scanty or excessive rainfall rather than political crises.<sup>42</sup> As discussed in the preceding chapter, the Dutch procurement of textiles alone in the late 1740s and 1750s was substantial especially because their exports to Batavia in those years were fairly large.<sup>43</sup> This, together with the large quantities exported by the EIC and English, Portuguese and Asian merchants, is indicative of the large scale of production and trade in Gujarat. Let us analyse the data and see whether the demand for various export products increased in the second half of the eighteenth century, and whether the supply corresponded with the demand.

### *Scale of demand and supply*

Unlike in the cases of indigo and sugar, Europe could not find alternative sources of supply to substitute for South Asian cotton.<sup>44</sup> It was not until the early nineteenth century that the import of West Indian and American cotton became a real threat to this sector in British India.<sup>45</sup> The European Companies and private merchants as well as Asian traders con-



tinued to supply cotton and textiles from Gujarat to numerous Asian and European destinations. In our sources, the figures showing the European Companies' exports are rather scattered and sometimes repetitive. The biggest gap in quantifying total exports from Gujarat, or from anywhere else, is due to the absence of data for private European and Asian merchants. The best we can do is to bring together the scattered evidence in order to identify at least some major trends in the pattern of trade and production in the eighteenth century.

In terms of the broad periodical scheme of European commercial enterprise in Asia, the period under review falls under the age of English dominance in South Asian trade.<sup>46</sup> By 1740, the EIC surpassed the VOC in terms of total exports from Asia to Europe, and the gap grew to such an extent that by the 1770s the total value of Dutch trade, including the value of their intra-Asian trade, was far less than the total of English exports to Europe.<sup>47</sup> There was, however, no decline in the value of Dutch trade in Gujarat until the late 1760s, and in fact the VOC's investment in Gujarat cotton, cotton yarn and textiles actually increased during this period. The average annual export value, excluding cash transfers, was £ 884,415 during the period 1751–5 and rose to £ 991,862 from 1756 to 1760. These figures are higher than the average annual value of exports during the years 1695–9, which was £ 721,648.<sup>48</sup> The annual purchase of cotton, cotton-yarn and textiles—to the value of about a million guilders in the 1750s by the VOC alone—may reflect the substantial revival of production and trade in Gujarat.

Subsequently, even though the Dutch exports declined, the late-century averages are still comparable or even higher than the figures for the late 1710s, 1720s, and 1730s.<sup>49</sup> The decline in the volume of the VOC's exports, which until 1770 was a potential buyer of Gujarat's produce, was largely compensated for by the emergence of the English as major buyers of cotton and textiles. As mentioned above, from 1740 onwards EIC's investment in South Asian textiles and cotton rose sharply. In terms of value, textiles accounted for 69.5 per cent of its total exports to Europe during the years 1738–40. After a slight fall to 53.5 per cent from 1758 to 1760, it went up again in 1777–9 when textiles, including raw silk and other goods, accounted for about 78 per cent of total exports.<sup>50</sup> Although part of this boom favoured Bengal, which alone contributed more than half of the total investment, the share of Gujarat seems also to have gone up after the 1770s. The political victories of the Company in Bengal in 1757 and at Surat in 1759, gave them much-needed leverage to further their commercial enterprise. With the acquisition of the revenue resources of Bengal in 1765, they vigorously pursued their trade. By transmitting a part of the revenue collected in Bengal to Surat, the Company began to finance its investment in Gujarat and Bombay in this way as well.<sup>51</sup> The

English investment in Gujarat grew so much in the second half of the century that other buyers, particularly the VOC, began to apprehend its adverse impact on the price and quality of textiles.<sup>52</sup>

The largest proportion of the total European export of textiles from South Asia in the eighteenth century was from Bengal. Since only a little cotton was produced there locally, its textile industry depended for a considerable part of its requirement of cotton on other regions. Gujarat supplied a large quantity of cotton to Bengal and received, in return, raw silk, which was crucial for the manufacture of silk textiles in Surat and Ahmadabad. This exchange of cotton for silk was a major branch of trade which had certain implications for the money market of Surat and credit remittance to Bengal. Things began to change only in the 1780s when in Bengal cotton production grew sharply and imports from Surat declined.<sup>53</sup> The booming English export of textiles from Bengal, however, kept the exchange of Gujarat cotton for Bengal silk somewhat alive in subsequent years since the local production of cotton in Bengal was still not sufficient to feed the expanding textile industry.

The EIC and especially English country traders were engaged in supplying Gujarat cotton to both Bengal and China. The latter had emerged as a great market for South Asian cotton in the middle of the eighteenth century. The Company's share in the lucrative China trade was quite small compared with that of private English merchants.<sup>54</sup> The EIC's annual export of cotton from Gujarat in 1769 is estimated to have been about 30,000 bales (15,000 *candies*) which, if calculated at the price of Rs 81 per *candy*, amounted to a purchase value of more than 1.2 million rupees, whereas the total purchase of textiles by all merchants amounted to about 2 million rupees.<sup>55</sup> In another statement of the same year, it is said that from Broach and the surrounding areas all buyers annually purchased cotton worth 1.2 to 1.5 million rupees and textiles worth 2 to 2.5 million rupees for West Asian, South-east Asian and European markets.<sup>56</sup> These estimates certainly indicate a substantial trade in cotton and textiles in the period under review. The demand for cotton increased even more in the last two decades of the century. In 1787, 68,000 bales of cotton were exported from Gujarat to China; of these, 4,500 bales were on the Company's account.<sup>57</sup> In 1789, the Company's export of cotton from Gujarat to China was estimated to be 30,000 bales.<sup>58</sup> In the late 1780s, cotton also began to be exported to London wherefrom the demand exceeded half a million pounds avoirdupois (about 1,275 bales) in 1789.<sup>59</sup> Since Bengal could only contribute about a third of this quantity, a large part of it was supplied from Gujarat. In 1790, the Company exported about 1,224 bales of cotton to London.<sup>60</sup> Poor returns there discouraged the Company from regularly exporting large quantities of cotton from Gujarat. In 1799, on account of an improvement in prices, a large con-

signment was sent to London, but again prices receded and the export of cotton declined.<sup>61</sup> Even though Bengal had begun to grow cotton on a substantial scale, it continued to import a large quantity from the Deccan and Gujarat.<sup>62</sup> At the turn of the nineteenth century, Bengal imported more than 43 million pounds avoirdupois (109,694 Surat bales) of cotton of which a little more than 17 million pounds avoirdupois (43,367 bales) came from the Deccan, while the rest was quite likely supplied by Gujarat and Coromandel.<sup>63</sup>

The EIC's investment in textiles at Surat or elsewhere in Gujarat registered a sharp rise in the late 1790s. Until then, its annual purchases remained modest except for some occasional jumps, as in 1770/1 and 1771/2 when the value of textiles to be supplied by the contractors was Rs 659,393 and Rs 561,990 respectively.<sup>64</sup> Between 1787 and 1793, the average annual value of investment was more than Rs 315,000 (Table 5.1). During this period, the Company faced difficulties because its suppliers failed to procure goods as stipulated in the contracts.<sup>65</sup> Subsequently, the value of textiles contracted for increased substantially.

*Table 5.1 The English East India Company's procurement of Gujarat textiles  
(values in Surat rupees)*

Year	Amount ordered	Amount contracted	Amount provided
1770	NA	659,393	NA
1772	NA	561,990	NA
1776	NA	270,180	NA
1777	NA	90,555	NA
1786	NA	310,825	NA
1787	200,210	200,210	207,304
1789	310,825	307,395	329,215
1790	NA	371,497	NA
1791	326,692	329,981	295,890
1792	400,000	364,300	368,552
1794	500,000	518,010	461,684
1795	500,000	457,320	228,614
1796	NA	1,060,750	NA

Source: Commercial Residency Northward Diary (1763-1795), no. 539, not foliated; EIC Draft Despatches 56, Draft Paragraph proposed by the Court of Directors to be sent to their Presidency of Bombay, London, diverse dates, pp. 26-7, 252, 336-43, 506-25; EIC Draft Despatches 57, Draft paragraph proposed by the Court of Directors to be sent to their Presidency of Bombay, London, 3 June 1796, pp. 366-7; *ibid.*, 24 Jan. 1797, item no. 16, not foliated.

In 1794/5, the Company entered into a contract with Bahmanji Mancherji for the supply of piece-goods worth Rs 518,010.<sup>66</sup> Soon thereafter, the Company's total annual investment in Gujarat textiles exceeded one million rupees. In a letter of 21 April 1795 to Bombay, the Board of Control in London ordered Surat to procure piece-goods worth Rs 700,000 and an additional inferior assortment to the value of Rs 300,000

or Rs 400,000.<sup>67</sup> In 1797/8, the Company's investment in textiles was Rs 1,060,750.<sup>68</sup>

In their procurement of textiles, the English faced the most formidable competition from Portuguese merchants whose trade in Gujarat textiles revived in the late eighteenth century.<sup>69</sup> In the 1790s, the Portuguese purchases of textiles grew so much that on many occasions the English accused them of inflating the prices by desperately buying textiles, sometimes without regard for their quality.<sup>70</sup> In fact, the English considered the Portuguese a greater threat to their commercial interests than the Dutch.<sup>71</sup> Between 11 December 1799 and 16 January 1800, Portuguese merchants exported piece-goods to the value of Rs 547,198.<sup>72</sup> On the basis of these figures it may be construed that they carried on a large trade in Gujarat during this period, comparable to that of the EIC.

Whereas the data presented above clearly show that total European demand for textiles increased in the second half of the eighteenth century, the volume and value of textiles exported by Asian merchants to various Asian markets remain largely unknown. From our analysis of Asian trading activities in this period, it is evident that Surat's trade with Arabian Sea ports remained substantial. Local and West Asian Muslim merchants who traded with Surat continued to supply Gujarat piece-goods and other textiles to various parts of the Persian Gulf and the Red Sea. According to an estimate, piece-goods worth a million rupees or so were exported to West Asia every year, mostly by Asian merchants.<sup>73</sup> From the cargo of the ships mentioned in some of the shipping lists prepared by the VOC at Surat, it is evident that cotton and piece-goods comprised the chief merchandise exported to these ports. The return cargo mostly consisted of gold and silver coins (silver rials and gold ducats) and the total annual value of this specie indicates that the exports to West Asia must have been large.<sup>74</sup> From a detailed report on the commerce in the Persian Gulf and the Red Sea written in 1790, it appears that the Muslim merchants of Surat, many of them shipowners, maintained commercial ties with Basra, Masqat, Bushire, Jeddah and Mokha in the second half of the eighteenth century.<sup>75</sup> An interesting phenomenon was the re-emergence of the Arabs as commercial entrepreneurs who invested their labour and capital in shipping and trading not only in coastal Arabia and Persia but also in the ports of Gujarat, Masulipatnam, Bengal and even Batavia.<sup>76</sup>

The extensive trade in cotton and textiles of Gujarat in the second half of the eighteenth century reflects the economic performance of the region. The data on the European Companies' export of cotton and textiles from Gujarat suggest that the total export of these commodities was much higher in the second than in the first half of the century or before. This implies that cotton cultivation and textile production expanded in

this period. Let us examine the aspects of the agrarian economy that seems to have helped Gujarat sustain its commercial vitality in the early modern period.

*Agricultural production: food grain and commercial crops*

A large part of Gujarat's agricultural economy was highly commercialized from the sixteenth century onward. The region produced a variety of produce ranging from ordinary grain to superior cash crops. The economy was self-sufficient in food grain and most of what it consumed was produced locally, particularly *bajra* (millet), the staple Gujarati food.<sup>77</sup> To sustain the growing urban population in its numerous port towns and cities, the production of a variety of crops was essential. Apart from coarse crops like *bajra*, *juwar*, *batty*, *erindy codra*, *moth*, *nagli*, and many others, some high-value crops were also grown. Wheat was grown in many places, but mainly in Sorath on the Kathiawar peninsula, and it was probably exported from Gujarat to other areas.<sup>78</sup> Rice appears to be a late addition to the region's inventory of crops, but production of good quality rice around the mid-eighteenth century has been reported.<sup>79</sup> Like wheat, rice was a high-value crop grown mainly for commercial purposes. The Dutch authorities in Surat were sometimes asked to supply wheat to Batavia or its other factories in Asia.<sup>80</sup> Rice, wheat, *mung*, and many other grains and pulses were items of trade and were exported mainly to West Asia, which was deficient in these crops, especially during droughts when merchants profited handsomely from exports to these places.<sup>81</sup> Tobacco cultivation is reported from different *parganas* of Surat in 1781.<sup>82</sup> Sugarcane was another cash crop produced in many *parganas* to the south of Surat. Gujarat did not produce fine sugar and depended on imports from Bengal. Some coarse brown sugar (*jagersuijker*, or jaggery) was, however, produced in the *parganas* of Gandevi, Navsari, and elsewhere in the vicinity of Surat. Some was also brought to Surat from nearby areas such as Bassein, but mostly from Nasik which produced the region's best molasses.<sup>83</sup>

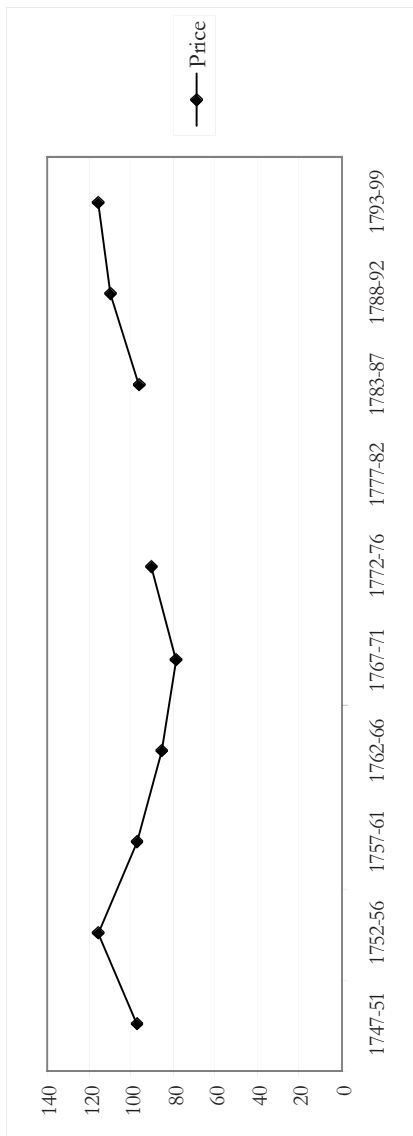
Other major cash crops, cotton and indigo, occupied a large proportion of the cultivable land. From the point of view of commerce, it was the region's ability to produce a large quantity of indigo and cotton, as well as a variety of textiles, that contributed to its central place in intra-Asian and Euro-Asian trade in the seventeenth and eighteenth centuries. By the second half of the seventeenth century, indigo had lost its pre-eminence as an Asian export to Europe, but a variety of textiles gradually took over this position and remained the most prominent export merchandise until the English Industrial Revolution altogether altered the nature and structure of Euro-Asian trade in the early nineteenth century.

As argued before, the Maratha factor was only initially debilitating to the agrarian economy of Gujarat. Unfortunately, we have no revenue figures for this period comparable to those of the seventeenth century because Maratha revenue collection was not systematised until quite late. Apart from what was taken away by the *Peshwa* as his share, the revenue collected from Gujarat was probably spent locally.<sup>84</sup> The actual collection of revenue from the *mahals* of Surat as recorded by the EIC's officials in 1781 amounted to Rs 1,299,272, which is higher than the early eighteenth-century *jama* (assessed revenue) figure of Rs 1,230,984 recorded in the *Mirat*.<sup>85</sup> In 1772, the total revenue collected by the Nawab and the Marathas from Broach amounted to Rs 708,852.<sup>86</sup> The revenue figures for earlier periods refer to the *jama* and not to the *hasil* (actual collection); hence it is difficult to identify if there was any improvement in cultivation and agrarian production.<sup>87</sup> The growing cotton production in Surat and Broach as a response to increasing demand, however, indicates expansion in agricultural production in the second half of the eighteenth century.

There are some indications in our sources of the growth in cotton production in Gujarat. To sum up, whereas in 1751 the total production of cotton in Surat and Broach was estimated at about 15,000 or 16,000 bales, in 1789 the two regions produced 58,000 bales.<sup>88</sup> At the end of the century, about 120,000 bales of cotton reportedly went from Gujarat to Bombay for export.<sup>89</sup> These figures are only estimates and cannot be taken to show the actual growth in cotton production. In the present state of our knowledge, the data allow the tentative conclusion that there was substantial growth in the production of cotton in Gujarat in the second half of the eighteenth century. More reliable and systematically recorded data from the early nineteenth-century records of the EIC also suggest a substantial export of cotton and textiles from Gujarat. Between 1801 and 1805, the average annual value of cotton and piece-goods exported from Gujarat (excluding Kachh) to Bombay amounted to Rs 3,443,602 and Rs 1,098,237 respectively.<sup>90</sup> The production of cotton intensified not only in Broach and Surat; other areas produced significant quantities as well. Territories such as Bhavanagar, Kachh and Navanagar with their large production of cotton and some textiles, contributed to the aggregate supply from Gujarat. In the late 1780s, Bhavanagar alone is reported to have produced about 28,000 bales of cotton annually.<sup>91</sup> In the early years of the nineteenth century, more than eighty per cent of the total exports of cotton to Bombay were from other ports of Gujarat than Surat.<sup>92</sup>

Did the large export of cotton from Gujarat have any negative impact on its manufacturing sector? Quite probably not. In 1789, the amount of cotton consumed by the textile industry was no more than one-fourth to one-fifth of the total cotton produced in Gujarat, so the large-scale export

Figure 5.1 Five-yearly average annual cotton prices, 1747-1799 (in rupees per candy)



Source: Based on figures in Appendix 12.

of cotton did not lead to any contraction of the manufacturing sector.<sup>93</sup> In the case of a sudden fall in total production, the market mechanism would ensure that the local industry was served first and only the surplus was exported. In 1790 when the total production of cotton at Broach, Jambusar, Amod, and Baroda fell below 6,000 bales, merchants were unable to supply any cotton to the ECI because this amount hardly satisfied local demand and none was available for export even at an exorbitantly high price of Rs 200 per *candy*.<sup>94</sup> We have already noted that the total demand for Gujarat textiles increased substantially in the last quarter of the century. The fact that the European Companies and individual investors usually were able to obtain at least a large part of textiles they wanted, except when the industry was incapacitated by a calamity, indicates that Gujarat's textile manufacturing sector expanded in response to increased demand.<sup>95</sup> Surat's weaving industry in particular expanded in the eighteenth century and, as I have mentioned before, it absorbed some new groups of weavers and artisans as well as immigrants from other areas affected by uncongenial conditions in the early and mid-eighteenth century. Consequently, Surat alone catered to a large proportion of the total demand. In 1801/2, textiles worth more than one million rupees were exported from Surat to Bombay whereas the value of exports from other parts of Gujarat (excluding Kachh) was Rs 502,158.<sup>96</sup> In the early nineteenth century, Surat usually claimed a larger share in the total exports of Gujarat textiles to Bombay.<sup>97</sup>

### *Cotton prices*

Prices are highly responsive to any change in the equilibrium of demand and supply. Any fluctuation in either of the two gets reflected in prices. Cotton being an agricultural product was prone to such fluctuation since the agricultural operation and productivity of the crop depended heavily on adequate rainfall. Cotton and indigo both were quite vulnerable to unfavourable weather conditions and an untimely, scanty or heavy rain could spoil the crop. Even a little delay in harvesting could have debilitating consequences for productivity and quality of cotton. Despite improvements in artificial irrigation, agricultural crops in early modern times remained far more susceptible to the fickleness of weather than today. During the period under review, there were times when cotton—production suffered due to inadequate or torrential rain. Prices, under such circumstances, would rise and high purchase prices would adversely affect merchants and the markets where the goods were sold. In our sources, allusions to such problems are quite common and one often finds merchants and especially the European Companies complaining



about the high price of commodities they intended to buy and assigning one or the other reason for this. This is not unique to our period; we get similar impressions from the market in the seventeenth century.

The problems in analysing the price of cotton are manifold. First, cotton prices quoted in our sources do not necessarily represent the actual price at which it was bought from the producer. They are the prices at which the EIC and the VOC contracted to purchase it from their brokers and suppliers, and we do not know the difference between the contract price and the actual price paid. Second, prices varied from one contract to another in a given year. Finally, there were different sorts of cotton and prices varied depending upon its quality and place of origin. The prices quoted in English sources are normally a little higher than those of the Dutch. For the sake of convenience, I have averaged the different prices quoted in a year to see if any trend in price movements can be seen.

The average purchase price of raw cotton was relatively high in the middle of the eighteenth century due to shortages in supply. Whereas the scarcity of cotton was primarily caused by crop failure, as happened in 1750 when production collapsed on account of scanty rainfall, it was also the result of an unpredictably high demand for cotton or textiles.<sup>98</sup> Soon after, however, the price began to fall and the declining trend continued until 1770, after which it moved consistently upward. Several factors seem to have combined to push up the price. Intensive demand for cotton after 1770 appears to be a major factor. Apart from the fact that China offered good prospects for the sale of cotton, the premium attached to this branch of trade on account of its being a means of obtaining tea and of transmitting wealth to Europe encouraged many European merchants to export cotton from Gujarat to China. Many local merchants were also involved in the cotton trade with China and usually freighted their cotton to that market in English ships. This period also witnessed several military engagements between the English and the Marathas, which adversely affected the supply and price of cotton. There are numerous references in our sources to the interruption of trade, the blockade of Surat by the Marathas and of course to drought, all of which caused cotton shortages and drove up prices. The famine of 1790-1, which depopulated several villages and production centres of Gujarat, also disturbed the equilibrium. Thus, men and nature now and then inflicted severe blows to the supply potential of Gujarat; but compared to the years of good harvests and production, these were comparatively rare. The upward trend in cotton prices, which continued into the early nineteenth century, was more likely the result of increased demand.<sup>99</sup>

*Who benefited from economic growth?*

An expansion in the volume of goods produced in any economy implied economic growth. But if accompanied by a corresponding rise in the income of the producers, the increase in GDP would intensify commercial exchange in the economy. This would have been possible only when the producers retained their relative freedom and the right to enjoy the rewards of their labour. As we have seen before, the relative position of artisans and manufacturers in the political economy remained unaltered even in the late eighteenth century.<sup>100</sup> From the evidence presented so far, it appears that the economy of Gujarat was vibrant and that it responded well to the rhythms of Indian Ocean commerce. It is pertinent here to raise the question of who the beneficiaries of this boom in production and trade were, and to ask whether the actual producers of cotton and textiles reaped any benefit.

We lack sufficient information to answer these questions conclusively. From the evidence we do have, it can be argued that the peasant-producers and manufacturers benefited from a booming trade. A large number of cotton growers, cleaners, spinners, weavers, dyers, and other workers involved in getting cotton from field to ship found employment in the industry. Whereas some weavers bound themselves to produce textiles for merchants who advanced money to them, a number of manufacturers produced textiles for sale in the bazaar. Many Asian and European merchants depended almost entirely on the turnover of textiles in the bazaar. They procured piece-goods through on-the-spot buying with the help of brokers. The Portuguese investments were made up partly of contracts and partly of purchases in the bazaar in accordance with their requirements for various articles.<sup>101</sup> Even under the system of advances, weavers and artisans sold their products at the market price to merchants who had advanced money to them.<sup>102</sup> As noted in Chapter Two, the tradition of advancing cash to manufacturers was advantageous not only to merchants but also to the weavers.

There is considerable uncertainty about the implications of advances for the recipients. Apparently, the weavers were obliged to supply goods at the contracted price to the merchant who had advanced money to them. In practice, however, weavers considered such contracts negotiable and sometimes sold their produce to other buyers willing to pay a higher price. A remark made by the Portuguese merchants of Surat explains how the market functioned. In a letter addressed to the English chief at Surat, the Portuguese merchants noted:

Merchants and weavers receive money in advance from the Company's brokers and promise to furnish them with goods and they do the same with other brokers and take advances on similar promises. This has always been

the unalterable custom practised at Surat not only with the Portuguese nation, but with other nations and people....

Merchants and weavers have [a] right to sell to whoever gives more and to purchase wherever he gets things cheaper and at his convenience. Is it not the basis and principle, where [lie] the happiness of the inhabitants the increase and progress of commerce of any country, colony, or nation [?].<sup>103</sup>

It seems that even when the weavers received advances they were in a position to sell their produce to the highest bidder provided they returned the advance money to their former customer. The merchants who advanced money to the weavers, on the contrary, considered contracts binding. These merchants and contracting brokers even resorted to coercive measures to prevent any breach of faith or contravention of agreement.<sup>104</sup> Under such circumstances, the weavers sold their textiles clandestinely to other merchants who paid a higher price. There are several instances in which we find the EIC's brokers and the VOC's suppliers complaining about the weavers selling their produce to other merchants even after receiving advances.<sup>105</sup> Usually, as our sources tell us, prices turned out to be high on account of cut-throat competition among a large number of buyers.<sup>106</sup> Contemporary observers alleged that some manufacturers produced textiles of a quality inferior to that stipulated in the contracts and did so deliberately, anticipating that the rejected goods would fetch a higher profit in the bazaar.<sup>107</sup> In 1790, the EIC's broker Mayaram Atmaram attributed his inability to supply the stipulated quantity of piece-goods to, among other reasons, the encouragement given by native and foreign merchants, including the Dutch, French and Portuguese, to weavers to have their goods rejected in order to sell them at a price 4 per cent higher than that offered by the Company.<sup>108</sup> Sometimes they managed to get their work rejected by merchants appointed by the European Companies to examine the size and quality of textiles according to the samples. The English and the Dutch often accused other buyers, particularly the Portuguese, of purchasing textiles without caring whether the quality matched the samples and for paying higher prices.<sup>109</sup> When the EIC tried to secure their labour through a formal contract with the weaving communities in 1795, they had to assure the manufacturers of a fair deal and protection from all sorts of exploitation.<sup>110</sup> Thus, it appears that the weavers and other artisans involved in this craft enjoyed a fairly strong negotiating position and reaped some benefits from the highly competitive nature of the market in Gujarat.

However, the major beneficiaries were the contractors, who negotiated deals with the European Companies, and the sub-contractors, who were actually in contact with weavers. As their risks were high, so were the rewards. They were under constant threat of losing money, as there was a hierarchy of intermediaries involved in this process who, it has been

reported, would at times abscond with advances.<sup>111</sup> We do not know how the profits were distributed among these parties or what the margin or difference was between the price paid to the producer and the one demanded from the corporate buyers. Keeping in mind that there was a chain of sub-contractors and agents between the chief brokers contracting with the European Companies and the actual producers, the total margin in prices must have been large, although the share to each person involved in the process of transaction must have been very low. Since transacting business through brokers is one of the characteristics of the Indian system of commercial risk management, any expansion in the volume of trade entailed a proliferation of intermediaries. This is what apparently happened in the eighteenth century, especially in the second half. European and Asian merchants based in major commercial emporia such as Surat and Bombay managed trade through contractors and brokers. In the 1790s, one of the suppliers to the English, Mayaram Atmaram, employed 300 'town merchants' in Surat alone to keep the weavers engaged for the Company.<sup>112</sup> Many such contractors in Surat and Bombay had similarly extensive networks that enabled them to meet the terms of the contracts. This section of the commercial community seems also to have shared the advantages of an increased trade in cotton and textiles. The producers and merchants including intermediaries were co-sharers of the benefits from the relative growth in the commercial economy of Gujarat in the second half of the eighteenth century.

That the intensification of production and exchange processes at this time resulted in a general increase in prosperity is also evident from the large-scale consumption of goods imported into Gujarat. As we have seen in the last chapter, Dutch imports of cloves and copper remained large and those of sugar were substantial. Other European Companies also imported huge quantities of copper and sugar, especially in the last quarter of the century, and the total volume of imports was much higher than ever before.

### *Imports and consumption*

Compared with the seventeenth century, the consumption of fine spices and copper and some other minor commodities certainly declined in the first half of the eighteenth century. The amount of monopoly goods such as cloves and nutmegs imported by the VOC into Surat could be taken as representing the total consumption in Gujarat and its hinterland. The average quantity of cloves and nutmegs annually sold in Gujarat during the years 1711–45 was less than the annual averages of the last three decades of the seventeenth century by about 52 and 78 per cent, respec-

tively.<sup>113</sup> In the second half of the century, however, consumption of these spices increased. The average quantities sold during the period 1746–80 were higher by about 30 and 116 per cent than their corresponding figures between 1711 and 1745.<sup>114</sup> Within the century therefore, there was an upward trend in the consumption of cloves and nutmegs. In the eighteenth century, the average sale prices of spices and copper were much higher than in the seventeenth century. Thus the reduced volume of sales did not really correspond with the fall in the total amount of money consumers spent in buying these commodities. Whereas the quantity of cloves sold in Gujarat between 1711 and 1780 was 44.5 per cent less than the average quantity in the period 1645–98, the total sale value fell by only about 18 per cent. Since the Dutch were the only importers of fine spices until at least the late 1760s, the decline in their imports testifies to a decline in consumption. The VOC's trade in Japanese copper underwent a similar change. Whereas the average quantity of copper annually sold in Gujarat decreased from 219,597 pounds during the years 1711–45 to 179,454 pounds during the years 1745–91, its average sale value increased from *f* 137,302 to *f* 150,409.

More than any indigenous incapacity, the decline in Dutch imports in Gujarat was caused by problems inherent in the structure of the Company's intra-Asian trade. In the eighteenth century, the VOC's ability to supply the copper market was severely affected by the Japanese Government's restrictions on the export of copper during the years 1715–20, in 1743 and again in the 1790s.<sup>115</sup> From our sources we get the impression that the authorities at Surat felt uneasy over the inadequate supply of goods from Batavia.<sup>116</sup> The unusual growth in the Dutch import of sugar into Surat from around 1745 was caused by its expanded production in Java and Batavia under the Company's aegis. The reduction in Dutch imports into Gujarat in the last quarter of the eighteenth century was the result of fierce competition from other European Companies and private traders who began importing sugar and copper on a large scale, and some fine spices as well.<sup>117</sup> In this period, there was a large flow of copper from Europe and of sugar from Brazil, Mauritius, Manila, and China. The English, the Portuguese and all those who traded with China and the Indonesian Archipelago took large quantities of sugar as a return cargo for Surat. Large amounts of sugar from French Mauritius and later from Brazil also competed to satisfy local demand. Though a lack of consistency in the data hinders quantification of total imports, sporadic references suggest that the total volume of imports by English, Swedish, and other merchants, in particular of sugar and copper, increased in the last quarter of the century.<sup>118</sup>

*Conclusion*

Some basic trends in the economy of Gujarat may be recapitulated here. First, to a large extent, production responded to external demand which increased as the century advanced. The gross domestic product seems to have gone up in the second half of the eighteenth century. It is not possible, however, to assess the impact of increased GDP on per capita income and living standards. The expansion in manufacturing, it may be argued, generated greater income for the people, which in turn seems to have intensified exchange activities within the local economy. This dynamic is well illustrated by the large-scale consumption of imported commodities by the people inhabiting Gujarat's ports and their hinterlands. As indicated in Chapters Two and Three, there occurred in the course of the century a proliferation of people engaged in small-scale trade, banking and brokering as well as in the service sector. This together with an increase in the number of administrative and revenue offices seems to have led to the emergence of a large number of people with the means and propensity to consume both locally produced and imported goods. These features point towards the fact that the market economy of Gujarat remained rather strong and that it retained its vitality throughout the eighteenth century.<sup>119</sup>

As this study shows, the evidence for a vibrant economy in Gujarat in the second half of the eighteenth century challenges the traditional duality of a seventeenth-century commercial boom and an eighteenth-century decline often found in writings on Indian economic history.<sup>120</sup> This also reinforces doubts about the perils of considering an artificial century as a 'suitable pigeon-hole' for the study of historical phenomena.<sup>121</sup> Instead of looking in terms of decline or growth in the economy over a century or so, the second half of the eighteenth century could be seen as a part of a long early modern period having alternate phases of economic expansion and recession. If we take imports and exports as indices of growth, the figures available for the second half of the eighteenth century are indicative of a flourishing Gujarat economy comparable to that of the first half of the seventeenth century. The notion of an eighteenth-century decline is valid only if we take as our point of reference the second half of the seventeenth century or if we limit our view to the period between the late 1720s and the early 1740s.



## CONCLUSION

How dynamic was Gujarat's economy in the eighteenth century? This is the fundamental question that this book attempts to answer. The analysis of various dimensions of trade and production and of the activities and actions of merchants and manufacturers in the preceding chapters, demonstrates that the economy of Gujarat remained vibrant in the second half of the eighteenth century. A major objective, related to this question, was to identify how Gujarat fits into or deviates from the broader historiographical debates and issues that have stimulated enquiries into the continuities and changes in South Asia as a consequence of the English Industrial Revolution and the beginning of colonialism in the middle of the eighteenth century. That South Asia experienced a major political transformation in the course of the eighteenth century is beyond doubt, but the enquiry into the nature of the change and its economic consequences has resulted in diverse and even contradictory interpretations. This book underscores the region's internal political and economic diversities and emphasises the fact that the nature and forms of interaction between the state and the economy differed immensely according to time and place.

One major aspect of the political economy analysed here is the continuity in the relative autonomy of trade and production in Gujarat and the freedom of producers and merchants from state intervention. Whereas in Bengal and southern India, the English and some local states were able to establish control over trade and production, in Gujarat merchants and producers retained their prominent position. In other words, the market economy continued to function rather smoothly and retained its autonomous dynamic even after the English East India Company had obtained a degree of political power in Surat in 1759. This was possible because the particular political configuration and the dyarchy that governed Surat and Gujarat in the second half of the eighteenth century hindered the English takeover of the region, and thereby delayed the region's transition to a colonial economy for more than half a century. The multiple centres of political authority and the fluidity of their mutual relationships did not allow any one of them to fully control commerce and production. Gujarat was a region of commercial towns and cities, of powerful merchant families and banking houses, and of a highly commercialised agriculture. Its economy was oriented towards maritime commerce and its vitality depended much on prosperous merchant groups and industrious manufacturers. An almost total absence of state



interference in commerce can be attributed to the merchant's predominance and the existence of large capital resources independent of political power.

It appears, therefore, that in the case of Gujarat the role of the state in the economy was rather limited. To merchants, it was not really important who the ruler was. Their primary concern was that the state provided basic security to merchants and their property. The efforts of some merchants to help the EIC take possession of the castle may be attributed to their concern for security and not to any conscious choice of rulers. In this respect, Gujarat, and particularly Surat, bears comparison with the Dutch Republic, where the state was weak and merchants dominated the political economy in the eighteenth century.<sup>1</sup> Unlike the Dutch Republic, the merchants of Gujarat experienced no political ascendancy in the actual sense of the term. We have hardly any examples of merchants assuming high administrative position and exercising actual political control in the region in the second half of the eighteenth century.

The suggested 'top-down' trajectory of growth attributed to most Asian economies, therefore, does not tally with the nature of economic growth in Gujarat. I have argued that the relationship between the state and the economy was limited to the former's appropriation of a part of the produce and a fee on all market exchanges, beyond which the economic processes were free of state intervention or control. It is true that merchant capital and producers' labour was sometimes vulnerable to state exploitation, and that the right to property or labour was not transformed into 'transparent' institutions. In general, however, the merchant communities of Gujarat were strong enough to resist oppression by articulating their grievances and forcing the state to the negotiating table.<sup>2</sup> In many cases, their actions secured the dismissal of corrupt officials. Some powerful merchants even played a role in the appointment of governors.<sup>3</sup> This dynamism is quite visible in various representations and successful negotiations with the authorities in the eighteenth century. Even during the heyday of the Mughals, the institutions that governed commerce and ensured the historical longevity of merchants' family fortunes were neither authoritatively framed nor governed by the state. They had their independent origin and that is why merchants were able to retain their dominant position even under politically uncongenial circumstances.

Thus, contrary to the notion of the state as the motor of economic change in Asia, this study suggests that the role of the state in the political economy of Gujarat was at best confined to facilitating trade by ensuring the safety of land and water transportation and thereby the security of merchants and their property. Even this protection did not always work and quite often merchants and producers had to negotiate with local authorities and officials to devise ways of getting through or around

impediments. To a large extent, economic growth followed the Smithian evolutionary pattern in which the essential stimulus to produce or exchange goods came largely from market economic forces. Artisans and merchants devised on their own all possible means to benefit from the market. They were able to expand production by investing ever more financial resources and accommodating ever larger number of labourers in the manufacturing sector. The labour-intensive production process was a crucial factor in the horizontal diffusion of wealth and income and the consequent convergence of per capita GDP and the living standards of a greater number of people than was the case in some parts of Europe. It is useful here to emphasise the distinction between 'extensive' and 'intensive' economic growth. The former refers to an increase in total production as a result of population growth with no rise in per-capita income while the latter implies an increase in total production with an enhanced per-capita income.<sup>4</sup> We have no data on demographic trends in eighteenth-century Gujarat, but our sources give no indication of a population explosion. On the contrary, we have the evidence of huge mortality in Gujarat caused by epidemics and famines. The growth in cotton and textile production in the region may therefore be attributed to an intensive employment of material and human resources. Economic growth in Gujarat was not 'intensive', however, as there was neither any major advance in production techniques and technology nor any marked improvement in organisation or institutions. In this period, parts of Western Europe chose a different path and experienced 'intensive' economic growth because of new production technologies and social institutional changes that contributed to the 'great divergence' between 'the West and the rest'.

The 'great divergence' theory has stimulated efforts to compare pre-industrial economic growth in Europe and Asia. In the present state of our knowledge it is not possible to estimate GDP or to determine the living standards for various segments of society in Gujarat. But considering the fact that on the whole Gujarat produced high-value commercial crops and that its textile industry continued flourishing due to an increased demand, it seems probable that its per-capita GDP was higher than in many other regions of South Asia. The benefits of commerce trickled down to the producers and peasants and thus narrowed the gap between growth in GDP and per-capita income. The general affluence of merchants in Gujarat is incomparably greater than that of merchants in any other region. It may well be impossible to find any merchant in South Asia who can be compared in affluence and luxurious lifestyle with Abdul Ghafur or his grandson Mohammad Ali. The wastrel behaviour of Muslim and Parsi merchants of Gujarat also is indicative of considerable wealth. With relatively higher real income, the living

standard of merchants, artisans and manufacturers must have been good.

The divergence between European and Asian economic development should be attributed less to Asia's technological backwardness than to subsequent colonial economic policies that strangled growth and negated South Asia's advantages in cheap labour and, therefore, the ability to supply textiles to the world market at extremely competitive prices. But this was to come later, in the early nineteenth century, and as the response of Gujarati merchants to these challenges is beyond the scope of this book, suffice it to note here that until the end of the eighteenth century, the features of Gujarat's political economy displayed remarkable historical continuity. The evidence culled from the two major European Companies' archives, the Dutch and the English, shows that the character of Gujarat's Indian Ocean trade did not change to the degree Ashin Das Gupta has suggested. His conclusions that 'from exporting manufactures, Surat became a collecting point for raw cotton' and that Surat's shipowners avoided the European-dominated sea lanes, need to be qualified in light of the evidence presented here.<sup>5</sup>

The analysis of quantitative and qualitative evidence on the volume and value of trade clearly show that the economic experiences of eighteenth-century Gujarat were not substantially different from those of the seventeenth century. The contraction of economic activities in the 1720s and 1730s was soon followed by a phase of rapid economic growth in the second half of the century, when the region's economy performed remarkably well by producing and consuming goods on a large scale and stimulating much market-exchange activities. The notion of the eighteenth century as a period of economic decline in South Asia compared with a seventeenth century of prosperity does not tally with the trajectory of economic developments in Gujarat. On the contrary, the data on the volume of trade presented in this book suggest that the economy experienced substantial growth in its output as well as in the relative material prosperity of the people involved in various economic processes. The increasing demand for cotton and textiles stimulated production and a highly competitive market induced peasants and artisans to maximise production and reap the benefits. The import of spices and sugar and their consumption on a much larger scale than anywhere else in South Asia at the time testify to the general affluence and comparatively better living standards in eighteenth-century Gujarat.<sup>6</sup> Through a favourable balance of trade and acquisition of precious metals, Gujarat continued to be a major contributor to South Asia's pre-eminence in the late pre-colonial world economy.

From the perspective of the region, it is important to observe a structural change in the economy of Gujarat identifiable with the shift in the production and consumption base within Gujarat and the relocation of

some merchants and their trade northward to the regions of Kachh and Bhavanagar. Until the early eighteenth century, the traditional base of Surat's commerce was located in southern and central Gujarat and the region to the north and east of it extending up to Agra. The largest proportion of Gujarat's exports came from this region which, in the subsequent period, suffered misfortunes due largely to political instability. Some other regions of Gujarat like Bhavanagar, Kachh and Navanagar emerged as prominent production centres of cotton and textiles and added considerably to the total supply of these goods in the late eighteenth century. A concomitant development was the emergence of active trading ports in north-western Gujarat such as Gogha, Bhavanagar, Dholera and Mandvi. Having access to vast hinterlands, they attracted merchants. A large proportion of goods entering Gujarat from the north, as well as from the east, such as Malwa opium, were channelled through these ports. This process intensified further in the early nineteenth century.<sup>7</sup> Gujarat's overseas traffic from Mandvi, in the Gulf of Kachh, to East Africa grew substantially in the late eighteenth and early nineteenth centuries. Surat, meanwhile, did not lose its economic and commercial importance. What it did lose in this period was the pre-eminence it had long enjoyed in Indian Ocean commerce. Whereas it continued to perform the role of a major trade emporium in Gujarat, intensive coastal shipping and trade activities began to emanate from other ports too. This process represents a definite shift in the centre of gravity to the northwest of Gujarat.



## NOTES

### *Notes to Introduction*

<sup>1</sup> The period implied here is 1600–1800. Ambiguity, however, prevails with regard to periodisation in Indian history and scholars have not been in complete agreement over the time frame actually referred to by the terms ‘pre-colonial’ or ‘early modern’ that have recently gained currency in historical writings.

<sup>2</sup> For a summary description of some such analytical models, see Sanjay Subrahmanyam, *The Political Economy of Commerce: Southern India, 1500–1650* (Cambridge, 1990), 1–8; Seema Alavi (ed.), *The Eighteenth Century in India: Debates in Indian History and Society* (New Delhi, 2002); P. J. Marshall (ed.), *The Eighteenth Century in Indian History: Evolution or Revolution?* (New Delhi, 2003); Richard B. Barnett, *Rethinking Early Modern India* (New Delhi, 2002); Ian J. Barrow and Douglas E. Haynes, ‘The Colonial Transition: South Asia, 1780–1840’, *MAS* 38/3 (2004); Jon E. Wilson, ‘Early Colonial India beyond Empire’, *The Historical Journal*, 50/4 (2007).

<sup>3</sup> Most of these studies use the ‘potentialities’ model and by extension subscribe either to the ‘change’ thesis of the so-called Aligarh School or to the ‘continuity’ thesis of the revisionist or the so-called Cambridge School. See Irfan Habib, ‘Eighteenth Century in Indian Economic History’, in Seema Alavi (ed.), *Eighteenth Century in India*; M. Athar Ali, ‘Recent Theories of Eighteenth-century India’, *Indian Historical Review*, 13/1–2 (1986–7); Ashin Das Gupta, *Indian Merchants and the Decline of Surat, 1700–1750* (Wiesbaden, 1979); Sushil Chaudhury, *From Prosperity to Decline: Eighteenth Century Bengal* (New Delhi, 1995); idem, *The Prelude to Empire: Plassey Revolution of 1757* (New Delhi, 2000); K. N. Chaudhuri, *Trade and Civilization in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge, 1985). For the ‘revisionist’ view of this period, see Richard B. Barnett, *North India Between Empires: Awadh, the Mughals and the British, 1720–1801* (Berkeley, 1980); C. A. Bayly, *Rulers, Townsmen and Bazaars: North Indian Society in the Age of British Expansion, 1770–1870* (Cambridge, 1983); Muzaffar Alam, *The Crisis of Empire in Mughal North-India: Awadh and the Punjab, 1707–1748* (New Delhi, 1986); D. A. Washbrook, ‘Progress and Problems: South Asian Economic and Social History c.1720–1860’, *MAS* 22/1 (1988); Prasannan Parthasarathi, *The Transition to a Colonial Economy: Weavers, Merchants and Kings in South India, 1720–1800* (Cambridge, 2001).

<sup>4</sup> Scholars who have underscored the role of external factors, especially that of the European Companies, in the economy include K. N. Chaudhuri, *The Trading World of Asia and the English East India Company, 1660–1760* (Cambridge, 1978); Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630–1720* (Princeton, 1985). Sanjay Subrahmanyam has attributed South Asia’s economic growth in the sixteenth and seventeenth centuries to some internal forces. See Subrahmanyam, *Political Economy of Commerce*, 344–65.

<sup>5</sup> Frank Perlin, *Unbroken Landscape: Commodity, Category, Sign and Identity; their Production as Myth and Knowledge from 1500* (Aldershot, 1994), 75.

<sup>6</sup> A case in point is the collapse of the Mughal Empire and the almost simultaneous decline of Surat. Gupta, *Indian Merchants*.

<sup>7</sup> Burton Stein, ‘State Formation and Economy Reconsidered’, *MAS* 19/3 (1985); C. A. Bayly, *The Imperial Meridian: The British Empire and the World, 1780–1830* (New York, 1989); idem, *Rulers, Townsmen and Bazaars*; Burton Stein and D. A. Washbrook, ‘States and Societies: Configuring State and Capitalism in Early Modern India’, cited in Prasannan Parthasarathi, ‘Merchants and the Rise of Colonialism’, in Burton Stein and Sanjay Subrahmanyam (eds.), *Institutions and Economic Change in South Asia* (New Delhi, 1996).

<sup>8</sup> M. N. Pearson, *Merchants and Rulers in Gujarat: the Response to the Portuguese in the Sixteenth Century* (California, 1976).

<sup>9</sup> Lakshmi Subramanian, 'Power and the Weave: Weavers, Merchants and Rulers in Eighteenth-Century Surat', in Rudrangshu Mukherjee and Lakshmi Subramanian (eds.), *Politics and Trade in the Indian Ocean World* (Delhi, 1998).

<sup>10</sup> Immanuel Wallerstein, *The Modern World-System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century* (London, 1974), 326-34; idem, *The Modern World-System II: Mercantilism and the Consolidation of the European World-Economy, 1600-1750* (London, 1980).

<sup>11</sup> South Asia was incorporated into the 'capitalist world economy' only in the late eighteenth and early nineteenth centuries. See Immanuel Wallerstein, 'The Incorporation of the Indian Subcontinent into the Capitalist World-Economy', in Satish Chandra (ed.), *The Indian Ocean: Explorations in History, Commerce and Politics* (New Delhi, 1987).

<sup>12</sup> Washbrook, 'Progress and Problems', 60; Om Prakash, *Asia and the Pre-modern World Economy* (Leiden, 1995).

<sup>13</sup> Eric Jones, *The European Miracle: Environment, Economies and Geopolitics in the History of Europe and Asia* (Cambridge, 1981).

<sup>14</sup> Jack Goody, *The East in the West* (Cambridge, 1996); idem, *The Theft of History* (Cambridge, 2006); R. Bin Wong, *China Transformed: Historical Change and the Limits of the European Experience* (Ithaca, 1997); Andre Gunder Frank, *ReOrient: Global Economy in the Asian Age* (Berkeley, 1998); Kenneth Pomeranz, *The Great Divergence: Europe, China, and the Making of the Modern World Economy* (New Jersey, 2000).

<sup>15</sup> Jan Luiten van Zanden, 'The Great Divergence from a West-European Perspective: Some Thoughts and Hypotheses', *Itinerario* 24/3-4 (2000), 9-12.

<sup>16</sup> Among nationalist and Marxist historians colonial intervention is held to have strangled economic processes that had long contributed to the growth in production and consumption in Indian society. R. C. Dutt, *The Economic History of India*, 2 vols. (London, 1970); Dadabhai Naoroji, *Poverty and un-British Rule in India* (London, 1901); Irfan Habib, 'Colonialization of the Indian Economy 1757-1900', in idem, *Essays in Indian History: Towards a Marxist Perception* (London, 2002); Chaudhury, *From Prosperity to Decline*.

<sup>17</sup> For a critique of this view, see Morris D. Morris, 'Values as an Obstacle to Economic Growth in South Asia: An Historical Survey', *JEH* 27/4 (1967).

<sup>18</sup> Max Weber, *The Protestant Ethic and the Spirit of Capitalism* (London, 1992), 23-4, 47-78.

<sup>19</sup> Morris D. Morris, 'Towards a Reinterpretation of Nineteenth-Century Indian Economic History', *JEH* 23/4 (1963), 613; idem, 'Values as an Obstacle', 598.

<sup>20</sup> Jones, *European Miracle*; Jan de Vries, 'The Industrial Revolution and the Industrious Revolution', *JEH* 54/2 (1994); idem, 'The Decline and Rise of the Dutch Economy, 1675-1900', in G. Saxonhouse and G. Wright (eds.), *Technique, Spirit and Form in the Making of the Modern Economies: Essays in Honor of William N. Parker* (Greenwich, 1984).

<sup>21</sup> Van Zanden, 'Great Divergence', 12-14; idem, 'Wages and the Standard of Living in Europe, 1500-1800', *European Review of Economic History*, 3/2 (1999), 192-3.

<sup>22</sup> Van Zanden, 'Great Divergence', 14-15.

<sup>23</sup> Ibid. 17-23.

<sup>24</sup> The concept of 'Asiatic despotism' has been used as a point of reference in many of the essays collected in Habib, *Essays in Indian History*; see also Washbrook, 'Progress and Problems', 64.

<sup>25</sup> Washbrook, 'Progress and Problems', 76.

<sup>26</sup> Ibid. 57-96; Barrow and Haynes, 'Colonial Transition', 472.

<sup>27</sup> Sujan Rai Bhandari, *Khulasat-ut Tawarikh* [Summary of Histories], ed. Zafar Hasan (Delhi, 1918); Ali Mohammad Khan, *Mirat-i Ahmadi*, 2 vols., ed. Syed Nawab Ali (Baroda, 1928); I'timad Ali Khan, *Mirat-ul Haqaiq* [Mirror of Realities], Persian Manuscript at Bodleian Library Oxford (a microfilm copy at the History Department of Aligarh Muslim University, Aligarh).

<sup>28</sup> Habib, 'Eighteenth Century in Indian Economic History'; Ali, 'Recent Theories of



Eighteenth-century India'; Gupta, *Indian Merchants*; Chaudhury, *From Prosperity to Decline*; Chaudhuri, *Trade and Civilization in the Indian Ocean*.

<sup>29</sup> On Awadh and North India, see Alam, *Crisis of Empire in Mughal North-India*; Bayly, *Rulers, Townsmen and Bazaars*. On southern India, see Parthasarathi, *Transition to a Colonial Economy*; idem, 'Re-thinking Wages and Competitiveness in the Eighteenth Century: Britain and South India', *Past and Present*, 158/1 (1998). On Maharashtra and western India mention may be made of N. Hatekar, 'Farmers and Markets in the Pre-Colonial Deccan: The Plausibility of Economic Growth in Traditional Society', *Past and Present*, 178/1 (2003); Frank Perlin, *The Invisible City: Monetary, Administrative and Popular Infrastructure in Asia and Europe, 1500–1900* (Aldershot, 1993); idem, *Unbroken Landscape*; Aniruddha Ray, *Trade, Politics and Plunder: Marathas at Cambay, c.1725–1825* (New Delhi, 2006); Satish Chandra, *The 18th Century in India: Its Economy and the Role of the Marathas, the Jats, the Sikhs and the Afghans* (Calcutta, 1986); Stewart Gordon, 'The Slow Conquest: Administrative Integration of Malwa into the Maratha Empire, 1720–1760', *MAS* 11/1 (1977); G. D. Sharma, 'Urban Economy in Western India in the Late Eighteenth Century', in Indu Banga (ed.), *The City in Indian History* (New Delhi, 1991).

<sup>30</sup> Hameeda Hossain, 'The Alienation of Weavers: Impact of the Conflict between the Revenue and Commercial Interests of the East India Company, 1750–1800', *IESHR* 16/3 (1979); idem, *The Company Weavers of Bengal, The East India Company and the Organization of Textile Production in Bengal, 1750–1813* (Delhi, 1988); Parthasarathi, *Transition to a Colonial Economy*; Chaudhury, *From Prosperity to Decline*; Sinnappah Arasaratnam, 'Weavers, Merchants and the Company: The Handloom Industry in South-eastern India, 1750–1790', *IESHR* 17/3 (1980); Om Prakash, 'From Negotiation to Coercion: Textile Manufacturing in India in the Eighteenth Century', *MAS* 41/6 (2007).

<sup>31</sup> Gupta, *Indian Merchants*. This image is also portrayed in some of his essays in *The World of Indian Ocean Merchant: Collected Essays of Ashin Das Gupta*, compiled by Uma Das Gupta (New Delhi, 2001).

<sup>32</sup> Lakshmi Subramanian, *Indigenous Capital and Imperial Expansion: Bombay, Surat and the West Coast* (New Delhi, 1996); idem, 'Baniyas and the British: The Role of Indigenous Credit in the Process of Imperial Expansion in Western India in the Second Half of the Eighteenth Century', *MAS* 21/3 (1987); idem, 'The Eighteenth-Century Social Order in Surat: A Reply and an Excursus on the Riots of 1788 and 1795', *MAS* 25/2 (1991); Michelguglielmo Torri, 'Surat During the Second Half of the Eighteenth Century: What Kind of Social Order? A Rejoinder to Lakshmi Subramanian', *MAS* 21/4 (1987); idem, 'Trapped inside the Colonial Order: The Hindu Bankers of Surat and their Business World during the Second Half of the Eighteenth Century', *MAS* 25/2 (1991).

<sup>33</sup> Christopher Bayly has emphasised the role of information in the empire building in India by the British. C. A. Bayly, 'Knowing the Country: Empire and Information in India', *MAS* 27/1 (1993); idem, *Empire and Information: Intelligence Gathering and Social Communication in India, 1780–1870* (Cambridge, 1996).

<sup>34</sup> Ali Mohammad Khan's monumental history of Gujarat and the supplement (*Mirat-i Ahmadi*, 2 vols. and *Khatma Mirat-i Ahmadi*), ed. Syed Nawab Ali (Baroda, 1928–30), and the anonymous collection of Persian documents: *Paimaish-i zamin-i ta'alluqa-i balda-i Ahmadabad* [Measurement of land of the revenue unit of the city of Ahmadabad], (India Office Ms. 4549, British Library, London) were produced in Gujarat in the second half of the eighteenth century. For a similar process in Rajasthan, see Nandita Prasad Sahai, 'Crafts and Statecraft in Eighteenth Century Jodhpur', *MAS* 41/4 (2007), 694–5.

### Notes to Chapter One

<sup>1</sup> Om Prakash, *European Commercial Enterprise in Pre-Colonial India, 1500–1800* (Cambridge, 1998), 44, 63–71; M. N. Pearson, *The Indian Ocean* (London, 2003), 121.

<sup>2</sup> Luis Filipe F. R. Thomaz, 'Portuguese Control over the Arabian Sea and the Bay of Bengal: A Comparative Study', in Om Prakash and Denys Lombard (eds.), *Commerce and Culture in the Bay of Bengal, 1500–1800* (New Delhi, 1999), 120–4. An antecedent of the *cartaz* system of the Portuguese in the Indian waters could be found in the licences that



the Memluk rulers of Egypt issued to the ships sailing on the Egyptian coasts of the Red Sea. Milo Kearney, *The Indian Ocean in World History* (New York/London, 2004), 109.

<sup>3</sup> Thomaz, 'Portuguese Control over the Arabian Sea'; Niels Steensgaard, 'The Indian Ocean Network and the Emerging World Economy, c.1500–1750', in Satish Chandra (ed.), *The Indian Ocean: Explorations in History, Commerce and Politics* (New Delhi, 1987), 132–6; Prakash, *European Commercial Enterprise*, 44–71; Pearson, *Indian Ocean*, 120–3, 132–8.

<sup>4</sup> There were thirteen major ports in Gujarat: Sujan Rai Bhandari, *Khulasat-ut Tawarikh* [Summary of Histories], ed. Zafar Hasan (Delhi, 1918), 59. At least fifteen ports and sixty-three wharves in the Gulf of Gujarat are listed in the anonymous late eighteenth-century collection of Persian documents: *Paimaish-i zamin-i tadlluqa-i balada-i Ahmadabad* [Measurement of land of the revenue unit of the city of Ahmadabad] (India Office Ms. 4549, British Library, London), f. 18b. A microfilm copy of this manuscript is in the National Archives of India, New Delhi.

<sup>5</sup> Ashin Das Gupta, *Indian Merchants and the Decline of Surat c.1700–1750* (Wiesbaden, 1979), 3.

<sup>6</sup> A similar development in Bengal resulted in the altogether different nature of economic growth in which the Mughal nobles played a major role by investing capital in ships and merchandise.

<sup>7</sup> Raziuddin Ahmad, *Hadiqat-ul Hind* [The Garden of India] (Persian Ms., NAI, New Delhi, India), f. 1a. A *sarkar* was a large administrative unit, several of which together formed a Mughal *suba* or province.

<sup>8</sup> Jodhpur, Jalore, and Nagaur were restored to *suba* Ajmer and Saler; Malher and Nadurbar were given back to Khandesh, while the remaining three were adjusted to some other *sarkars*. Ibid., f. 1a.

<sup>9</sup> Abul Fazl, *Ain-i Akbari* [Institutes of Akbar], II, ed. H. Blochmann (Calcutta, 1872), 114; *Mukhtasar Tarikh-i Gujarat* [Short history of Gujarat] (Persian Ms.; NAI, New Delhi, India), f. 1a–b; Rai Chaturman, *Chahar Gulshan* [Four Gardens] (Persian Ms., Maulana Azad Library, Aligarh Muslim University, India), f. 82a.

<sup>10</sup> *Paimaish-i zamin-i tadlluqa-i balda-i Ahmadabad*, ff. 107b, 108b, 111a–14b, 128b; Ali Mohammad Khan, *Mirat-i Ahmadi*, ed. Syed Nawab Ali, I (Baroda, 1928), 25; idem, *Khatma Mirat-i Ahmadi* [Supplement to *Mirat-i Ahmadi*], ed. Syed Nawab Ali (Baroda, 1930), 224–8, 229–36.

<sup>11</sup> For a detailed study of the nature of the relationship between these *zamindars* and the Mughals, see Ghulam A. Nadri, 'The Mughal Administration and the *Zamindars* of Gujarat in the Late Sixteenth and Seventeenth Centuries', *PIHC* (Kolkata, 2001).

<sup>12</sup> For details, see Balkrishna Govind Gokhale, *Surat in the Seventeenth Century: A Study in Urban History of Pre-Modern India* (Bombay, 1979), 51–69; Gupta, *Indian Merchants*, 20–8.

<sup>13</sup> *Mirat-i Ahmadi*, I, 25.

<sup>14</sup> C. A. Bayly, *The Imperial Meridian: The British Empire and the World, 1780–1830* (New York, 1989), 19–20.

<sup>15</sup> Ibid. 17–20.

<sup>16</sup> Niels Steensgaard, *The Asian Trade Revolution of the Seventeenth Century: The East India Companies and the Decline of the Caravan Trade* (Chicago, 1974).

<sup>17</sup> *English Factories in India* (1618–1669), ed. William Foster, 1630–33 (Oxford, 1906–27), 324–5.

<sup>18</sup> Collection of Persian Documents from Surat, MS. Blochet, Supplementary Pers. 482 (Bibliothèque Nationale, Paris; a photo print at the History Department Library, Aligarh Muslim University, India), f. 98a (hereafter Blochet 482); *EFI* 1634–36, 7.

<sup>19</sup> Stewart Gordon, *The Marathas, 1600–1800* (Cambridge, 1993), 114–16.

<sup>20</sup> Almost at this time and under similar circumstances, some political entrepreneurs like Murshid Quli Khan and Nizam-ul Mulk Asaf Jah were able to establish practically independent states in Bengal and Hyderabad respectively.

<sup>21</sup> Thus in 1723, Surat lost to the Marathas the huge resources that it used to draw from the *Athavisi*, that is twenty-eight *parganas*. Lakshmi Subramanian, *Indigenous Capital and Imperial Expansion, Surat, Bombay and the West Coast* (New Delhi, 1986), 32.

<sup>22</sup> I'timad Ali Khan, *Mirat-ul Haqaiq* [Mirror of Realities], Bodleian Library, Oxford (c.1726), ff. 332b, 340b, 346a, 374b-375a; *Mirat-i Ahmadi*, II, 136; Ghulam A. Nadri, 'Merchants in Late Mughal Gujarat: Evidence from Two Major Persian Sources', *PIHC* (Aligarh, 1998), 84; Gupta, *Indian Merchants*, 147-56. See also M. S. Commissariat, *A History of Gujarat*, II (Bombay, 1957), 400-545; Subramanian, *Indigenous Capital*, 33-4.

<sup>23</sup> Gordon, *Marathas*, 117.

<sup>24</sup> For a detailed study of Maratha state formation in Gujarat, see André Wink, *Land and Sovereignty in India: Agrarian Society and Politics under the Eighteenth-century Maratha Svarājya* (Cambridge, 1986), 115-29. See also Commissariat, *History of Gujarat*, II, 400-545.

<sup>25</sup> Wink, *Land and Sovereignty*, 115-27; Gordon, *Marathas*, 121-2.

<sup>26</sup> This is evident from the fact that the Mughal rulers disapproved of revenue farming and many Persian chroniclers denounced the practice as being ruinous for the peasantry. See Irfan Habib, *The Agrarian System of Mughal India, 1556-1707*, second revised edition (New Delhi: OUP, 1999), 320-1, 328-9.

<sup>27</sup> The agrarian crisis leading to peasant uprisings in many parts of Mughal north India in the late seventeenth century was, according to some scholars, a result of peasants' growing discontent on account of the exploitation to which they were subjected by revenue officials. Ibid. 366-405; Satish Chandra, *Medieval India: Society, the Jagirdari Crisis and the Village* (Delhi, 1982).

<sup>28</sup> Bruce A. Masters, *The Origins of Western Economic Dominance in the Middle East: Mercantilism and the Islamic Economy in Aleppo, 1600-1750* (New York, 1988), 138.

<sup>29</sup> N. Hatekar, 'Farmers and Markets in the Pre-Colonial Deccan: The Plausibility of Economic Growth in 'Traditional Society'', *Past and Present*, 178/1 (2003); Frank Perlin, *The Invisible City: Monetary, Administrative and Popular Infrastructure in Asia and Europe, 1500-1900* (Aldershot, 1993); idem, *Unbroken Landscape: Commodity, Category, Sign and Identity: Their Production as Myth and Knowledge from 1500* (Aldershot, 1994); Stewart Gordon, 'The Slow Conquest: Administrative Integration of Malwa into the Maratha Empire, 1720-1760', *MAS* 11/1 (1977), 1-40.

<sup>30</sup> Wink, *Land and Sovereignty*, 334-5. Such financial constraints have also been identified in a large part of north India in the second half of the eighteenth century: C. A. Bayly, *Rulers, Townsmen and Bazaars, North Indian Society in the Age of British Expansion 1770-1870* (Cambridge, 1983), 227.

<sup>31</sup> Wink, *Land and Sovereignty*, 341. He, however, uses early nineteenth-century evidence, some general statements made by English officials, for agricultural growth. Ibid. 342-3.

<sup>32</sup> A report on the dispute that erupted between Krishnaji Malhar and the English in 1809 best illustrates the role of merchant capital in revenue farming. Krishnaji obtained the revenue farm of Amod (near Broach) from the *Peshwa* and raised Rs 100,000 at Surat from the EIC as an advance for cotton from that district. In addition to this, he also got Rs 100,000 from some merchants including Anantrao Vithal, who became a partner in the enterprise. Krishnaji got an additional Rs 31,000 from the Company through its agent Khurshedji Kowasji. The dispute arose because the intent of this advance was not clear and the English authorities interpreted it as an advance for a future delivery of cotton to the Company. BCP 27, Proceedings, Bombay, 3 March 1809, pp. 412-13.

<sup>33</sup> Gordon, *Marathas*, 154-8.

<sup>34</sup> Many of the Company's high officials were convinced that trade could be carried on more advantageously if backed by political power and control over the regions and their resources. In 1676, General Aungier, Governor of Madras, said that the 'general commerce' had to be driven 'with sword in hand': quoted in C. A. Bayly, *Origins of Nationality in South Asia: Patriotism, Ethical Government in the Making of Modern India* (New Delhi, 1998), 242.

<sup>35</sup> For a detailed study of the anatomy of factions and their conflicts, see Jos Gommans and Jitske Kuiper, 'The Surat Castle Revolutions: Myths of an Anglo-Bania Order and Dutch Neutrality, c.1740-60', *Journal of Early Modern History*, 10/4 (2006).

<sup>36</sup> Ibid. 367-8.

<sup>37</sup> For a detailed analysis of the developments leading to the Castle Revolution, see

Subramanian, *Indigenous Capital*, 82-100; Michelguglielmo Torri, 'Mughal Nobles, Indian Merchants and the Beginning of British Conquest in Western India: The Case of Surat 1756-1759', *MAS* 32/2 (1998).

<sup>38</sup> Lakshmi Subramanian, 'Capital and Crowd in a Declining Asian Port City: The Anglo-Bania Order and the Surat Riots of 1795', *MAS* 19/2 (1985), 212-13, 220.

<sup>39</sup> Michelguglielmo Torri, 'Surat during the Second Half of the Eighteenth Century: What Kind of Social Order? A Rejoinder to Lakshmi Subramanian', *MAS* 21/4 (1987), 696.

<sup>40</sup> Idem, 'Trapped inside the Colonial Order: The Hindu Bankers of Surat and their Business World during the Second Half of the Eighteenth Century', *MAS* 25/2 (1991), 398-401.

<sup>41</sup> VOC 3026, Directeur en Raad van Surat aan GG&R [Director and the Council at Surat to Governor-General and Council], 10 April 1761, p. 97.

<sup>42</sup> When a dispute arose between the two sects of the Banias of Surat, the matter was reported to the English and both parties presented their case to the Company to obtain justice: FRS 76, Proceedings, Surat, 8 Feb. 1797, pp. 56-73; FRS 78, Proceedings, Surat (Petition of the Bania *Mahajan* of Bombay to the Governor, 23 April 1799), 26 April 1799, pp. 92-5.

<sup>43</sup> VOC 3381, Directeur en Raad van Surat aan GG&R, 30 April 1773, ff. 53v-56r.

<sup>44</sup> Gordon, *Marathas*, 165-6.

<sup>45</sup> Ibid. 164.

<sup>46</sup> Bombay surrendered 'all its gains except the islands and its harbour' and it lost the rich district of Broach which it had possessed since 1772. Pamela Nightingale, *Trade and Empire in Western India, 1784-1806* (Cambridge, 1970), 13-14. In these adventures, the EIC was also constrained by the strong opposition to its forward policy from Bengal and London. Gordon, *Marathas*, 163-4, 168.

<sup>47</sup> Gordon, *Marathas*, 165.

<sup>48</sup> See Appendix 1. The merchants bidding for the farm of Bhavanagar's customs were predominantly Parsis.

<sup>49</sup> Every year the Marathas carried out the *mulkgiri* campaign against the hereditary chiefs. Wink, *Land and Sovereignty*.

<sup>50</sup> Nadri, 'Mughal Administration and the *Zamindars*', 325-6.

<sup>51</sup> VOC 2610, Directeur en Raad van Surat aan GG&R, 17 April 1743, pp. 118-20; VOC 2679, Directeur en Raad van Surat aan GG&R, 30 Jan. 1746, pp. 7-21; VOC 2765, Directeur en Raad van Surat aan GG&R, n.d. May 1750, pp. 105-6; VOC 2842, Directeur en Raad van Surat aan GG&R, 11 Jan. 1754, pp. 804-5, 824-5; VOC 2887, Directeur en Raad van Surat aan GG&R, 3 May 1756, p. 105; James Grant Duff, *History of the Mahrattas*, ed. J. P. Gupta (New Delhi, 1971), 255-6, 291; S. N. Sen, *The Military System of the Marathas: With a Brief Account of their Maritime Activities* (Calcutta, 1928), 195-201, 207-8; Manohar Malgonkar, *Kanhoji Angrey Maratha Admiral: An Account of his Life and his Battles with the English* (London, 1959), 102-3; B. K. Apte, *A History of the Maratha Navy and Merchant Ships* (Bombay, 1973), 74-85.

<sup>52</sup> VOC 2863, Directeur en Raad van Surat aan GG&R, 25 April 1755, p. 220.

<sup>53</sup> FRS 78, Proceedings, Surat, 6 Feb. 1799, pp. 87-100.

<sup>54</sup> VOC 2909, Directeur en Raad van Surat aan GG&R, 14 May 1757, p. 12.

<sup>55</sup> VOC 2765, Directeur en Raad van Surat aan GG&R, 31 Oct. 1749, pp. 17-18; HRB 843, Beschrijvinge van Souratta [An account of Surat], D. van Rheeden, 1758, pp. 114-15; HRB 844, Memorie van Overgave [Memoir of the outgoing Director], Louis Tallefert, Surat, 1760, p. 407.

<sup>56</sup> In 1749, he attacked the VOC ship, the *Huijs te Rijnsburg*: VOC 2765, Directeur en Raad van Surat aan GG&R, 31 Oct. 1749, 17-18, pp. 25-7; HRB 844, Memorie van Overgave, Louis Tallefert, p. 407.

<sup>57</sup> These aspects have been illuminated in the studies on piracy in the Malay world in the eighteenth and nineteenth centuries: J. L. Anderson, 'Piracy in the Eastern Sea, 1750-1850: Some Economic Implications', in David J. Starkey et al. (eds.), *Pirates and Privateers: New Perspectives on the War on Trade in the Eighteenth and Nineteenth Centuries* (Devon, 1997), 87-93; Nicholas Tarling, *Piracy and Politics in the Malay World: A Study of*

*British Imperialism in Nineteenth-Century South-East Asia* (Canberra, 1963), 3-4.

<sup>58</sup> In several instances when the vessels under English protection were captured by the local navies, the Company tried to recover the lost property through representations to the chiefs. In 1797, the English Chief at Surat, Daniel Seton, in his letter to the Raja of Okha (a tiny port on the western tip of the Kathiawar peninsula), invoked the continuation of friendship between the two while complaining about the plunder of two vessels. FRS 76, Proceedings, Surat, 21 Jan. 1797, pp. 22-4.

<sup>59</sup> Although a degree of uncertainty prevails about merchants' participation in revenue farming, there is evidence that suggests that some merchants took to revenue farming as an extension of their commercial enterprise. BCP 27, Proceedings, Bombay, 3 March 1809, pp. 412-13; G. D. Sharma, 'Ports of Gujarat in the Nineteenth Century: Trading Networks and Commercial Practices', in Indu Banga (ed.), *Ports and their Hinterlands in India, 1700-1950* (New Delhi, 1992). In Bengal, the involvement of commercial capital and merchant families in the fiscal management of the Company's state is well established. Ranjit Sen, 'Landlords of Calcutta in Early Colonial Period', *Bengal Past and Present*, 107 (1988); Ujjayan Bhattacharya, 'Worthies and the Worth of their Land: Revenue Farmers and the Company's State in Early Colonial Bengal', in Rajat Datta (ed.), *Rethinking a Millennium: Perspectives on Indian History from the Eighth to the Eighteenth Century, Essays for Harbans Mukhia* (Delhi, 2008).

<sup>60</sup> H. W. van Santen, *VOC-dienaar in India: Geleynssen de Jongh in het land van de Groot-Mogol* (Franeker, 2001), 81-97.

### Notes to Chapter Two

<sup>1</sup> Nowhere was this phenomenon more apparent than in Bengal under the EIC's rule. See, among others, Hameeda Hossain, *The Company Weavers of Bengal, The East India Company and the Organization of Textile Production in Bengal, 1750-1813* (Delhi, 1988).

<sup>2</sup> K. N. Chaudhuri, 'Market and Traders in India during the Seventeenth and Eighteenth Century', in K. N. Chaudhuri and Clive J. Dewey (eds.), *Society and Economy: Essays in Indian Economic and Social History* (Delhi, 1979), 147.

<sup>3</sup> I discuss the aspects of the money and credit market in the next chapter.

<sup>4</sup> K. N. Chaudhuri, 'The Structure of Indian Textile Industry in the Seventeenth and Eighteenth Centuries', *IESHR* 11/2-3 (1974), 140-1.

<sup>5</sup> *Ibid.* 141.

<sup>6</sup> In Surat, cotton cleaners were called *pinjara*. FRS 73, Proceedings, Surat, 24 Dec. 1795, p. 793; Lakshmi Subramanian, 'Power and the Weave: Weavers, Merchant and Rulers in Eighteenth-century Surat', in Rudrangshu Mukherjee and Lakshmi Subramanian (eds.), *Politics and Trade in the Indian Ocean World* (New Delhi, 1998), 58. In the early nineteenth century, they were employed in large numbers as wage labourers to clean cotton for the EIC in Broach. BCP 30 (P/416), Proceedings, Bombay, 23 Feb. 1820, p. 189; BCP 50 (P/416), Proceedings, Bombay, 19 April 1826, not foliated; *ibid.*, Proceedings, Bombay, 26 April 1826, not foliated; *ibid.*, Proceedings, Bombay, 3 May 1826, not foliated.

<sup>7</sup> That it was used in cleaning cotton at Broach is testified to by Dr. Hove, a Polish scientist who visited Surat in 1787-8, who also gives a minute description of the wheel. He says, 'the machine by which they clear the seeds of cotton is about 4.5 feet high and three broad, it consists of two leaden cylinders ... about two inches in diameter, which are so closely placed over each other, that only the cotton passes through the fissure, and the seeds remain on the other side. This is [worked?] commonly by three women two of which turn the two cylinders, contrary ways by a plain winch, and the third's business is, to place the cotton to them, and keep it clear of seeds, this is executed with such dexterity and readiness that one of these sets is able to clear four bales of cotton a day'. Home Misc. 374, Extracts from Dr. Hove's Journal, 1787, pp. 647-8. The use of wheel in Surat is also reported. BCP 49, Proceedings, Bombay, 11 Sept. 1789, pp. 247-9; FRS 79, Proceedings, Surat, 14 April 1800, p. 230. Its widespread use elsewhere is also evident from some contemporary references. See Prasannan Parthasarathi, *The Transition to a Colonial Economy*:

*Weavers, Merchants and Kings in South India, 1720–1800* (Cambridge, 2001), 55.

<sup>8</sup> Irfan Habib, 'Non-Agricultural Production: Mughal India', in Tapan Raychaudhuri and Irfan Habib (eds.), *Cambridge Economic History of India*, I (Cambridge, 1982), 271.

<sup>9</sup> In 1795, a spinner could earn 7 to 10 rupees per *man* of yarn when sold to the dealers. FRS 73, Proceedings, Surat, 24 Dec. 1795, p. 792.

<sup>10</sup> Cf. Parthasarathi, *Transition to a Colonial Economy*, 13.

<sup>11</sup> FRS 73, Proceedings, Surat, 11 Sept. 1795, pp. 453–4; FRS 73, Proceedings, Surat, 24 Dec. 1795, pp. 792–800.

<sup>12</sup> FRS 79, Proceedings, Surat, 20 March 1800, pp. 180–5.

<sup>13</sup> Ibid., p. 540; BCP 57, Proceedings, Bombay, 2 Jan. 1796, pp. 18–22.

<sup>14</sup> FRS 73, Proceedings, Surat, 24 Dec. 1795, pp. 794–7; BCP 57, Proceedings, Bombay, 2 Jan. 1796, pp. 18–22; Lakshmi Subramanian, 'Capital and Crowd in a Declining Asian Port City: The Anglo-Bania Order and the Surat Riots of 1795', *MAS* 19/2 (1985), 221.

<sup>15</sup> FRS 73, Proceedings, Surat, 24 Dec. 1795, pp. 792–800.

<sup>16</sup> Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630–1720* (Princeton, 1985), 241–2. In his recent study on the textile industry of Bengal, he suggests that a weaver required three assistants, which pushes up the weaver-to-loom ratio to 4:1. Om Prakash, 'From Negotiation to Coercion: Textile Manufacturing in India in the Eighteenth Century', *MAS* 41/6 (2007).

<sup>17</sup> Cloth and yarn were dyed blue and red by using indigo and sappanwood. In 1795, the cost of dyeing yarn blue and red was Rs 7 and Rs 10 per *man* respectively. FRS 73, Proceedings, Surat, 24 Dec. 1795, p. 793; Subramanian, 'Power and the Weave', 58. Dyeing the stuff red was a privilege of the Khatri caste. FRS 73, Proceedings, Surat, 24 Dec. 1795, p. 793.

<sup>18</sup> Navanagar was renowned for its cloth dyeing because the water of the Rangmati River had properties that rendered the colour bright and resistant to sun light. Ali Mohammad Khan, *Khatma Mirat-i Ahmadi* [Supplement to *Mirat-i Ahmadi*], ed. Syed Nawab Ali (Baroda, 1930), 244.

<sup>19</sup> Irfan Habib, 'Labourers and Artisans', in J. S. Grewal (ed.), *The State and Society in Medieval India* (New Delhi, 2004), 171–2. He further says, 'the absence of legal constraints on the change of occupation among Muslims made them responsive to an enhanced demand for a new craft'. Ibid.

<sup>20</sup> FRS 79, Proceedings, Surat, 20 March 1800, p. 182.

<sup>21</sup> In 1795, these *patels* and *muqaddams* were brought to an agreement with the English to work exclusively for the Company. FRS 73, Proceedings, Surat, 10 Oct. 1795, p. 539.

<sup>22</sup> The weavers in south-eastern India did occasionally develop an occupational solidarity transcending caste barriers to protect their common interest. Parthasarathi, *Transition to a Colonial Economy*, 34.

<sup>23</sup> Chaudhuri, 'Structure of Indian Textile Industry', 172.

<sup>24</sup> This is evident from the statement quoted by Chaudhuri. Ibid. 172.

<sup>25</sup> FRS 79, Proceedings, Surat, 18 March 1800, p. 164.

<sup>26</sup> See for instance, Hameeda Hossain, 'The Alienation of Weavers: Impact of the Conflict between the Revenue and Commercial Interests of the East India Company, 1750–1800', *IESHR* 16/3 (1979); Parthasarathi, *Transition to a Colonial Economy*; Prakash, 'From Negotiation to Coercion'.

<sup>27</sup> The 1795 report records that a spinner earned from 7 to 10 rupees per *man*. FRS 73, Proceedings, Surat, 24 Dec. 1795, pp. 792–3. We do not know how long a person took to spin that much yarn. In south India, it took two months to spin a *man* (of approximately 25 pounds) of yarn. The Surat *man* was counted at 34.5 Dutch pounds which is 37.6 English pounds (1 Dutch pound = 1.09 pounds avoirdupois).

<sup>28</sup> Calculated at 37.6 (*man*) divided by 0.468 (a day's produce).

<sup>29</sup> Chaudhuri, 'Structure of Indian Textile Industry', 159.

<sup>30</sup> See the comparative average daily wages of different types of artisans and workers in Appendix 2. The weavers in the Mysore region, when employed by a master weaver, were paid 20 *fanam* [a silver coin] or 6–9 rupees a month. See Nikhiles Guha, *Pre-British State System in South India: Mysore 1761–1799* (Calcutta, 1985), 42. In Bengal the wage of a



weaver, employed by a master weaver, varied from 2.5 to 3.5 rupees a month which was lower than the wages paid in Gujarat or Coromandel. See Sushil Chaudhury, *From Prosperity to Decline, Eighteenth Century Bengal* (New Delhi, 1999), 161-8. As Prasannan Parthasarathi suggests, the weavers of southern India received higher real wages compared to weavers in England even though the money income was low. Prasannan Parthasarathi, 'Rethinking Wages and Competitiveness in the Eighteenth Century: Britain and South India', *Past and Present*, 158/1 (1998); idem, *Transition to a Colonial Economy*, 43.

<sup>31</sup> FRS 70, Proceedings, Surat, 15 April 1792, pp. 150-1.

<sup>32</sup> In 1820, a *charkha* was sold at Rs 5.25 in southern India. Parthasarathi, *Transition to a Colonial Economy*, 55.

<sup>33</sup> Many villagers in the vicinity of Broach flocked to the city to clean cotton whenever they were free from agricultural chores. BCP 50, Proceedings, Bombay, 3 May 1826, not foliated.

<sup>34</sup> Subramanian writes, 'Muslim weavers lived in poverty and were deep in debt to the Bania contractors and moneylenders'. Subramanian, 'Capital and Crowd', 223.

<sup>35</sup> K. N. Chaudhuri, *Trade and Civilization in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge, 1985), 200-1.

<sup>36</sup> In the eighteenth century, on account of the disparity between the rate of growth in demand and that in production the market turned out to be a seller's market. Om Prakash, *European Commercial Enterprise in Pre-Colonial India, 1500-1800* (Cambridge, 1998), 343.

<sup>37</sup> Irfan Habib, 'Potentialities of Capitalistic Development in the Economy of Mughal India', in Irfan Habib, *Essays in Indian History: Towards a Marxist Perception* (London, 2002), 231.

<sup>38</sup> Chaudhuri, 'Structure of Indian Textile Industry', 155.

<sup>39</sup> VOC 3122, Copia Resolutie pro Patria [Copy of the proceedings in Amsterdam], 1762, p. 23. FRS 68, Proceedings, Surat, 14 April 1790, pp. 216-19; FRS 70, Proceedings, Surat, 15 April 1792, pp. 149-51; BCP 61, Proceedings, Bombay, 1 May 1798, pp. 406-8.

<sup>40</sup> Parthasarathi, *Transition to a Colonial Economy*, 22-9.

<sup>41</sup> K. N. Chaudhuri, 'Some Reflections on the Town and Country in Mughal India', *MAS* 12/1 (1978).

<sup>42</sup> BCP 55, Proceedings, Bombay, 27 March 1795, pp. 200-3; *ibid.*, Proceedings, Bombay, 23 June 1795, pp. 459-65; FRS 73, Proceedings, Surat, 14 March 1795, pp. 181-21; FRS 77, Proceedings, Surat, 18 Jan. 1798, pp. 41-5.

<sup>43</sup> BCP 56, Proceedings, Bombay, 27 Oct. 1795 (Surat to Bombay, 15 Oct. 1795), pp. 809-10.

<sup>44</sup> *Ibid.*, pp. 807-9.

<sup>45</sup> *Ibid.*, pp. 808-9, 813.

<sup>46</sup> *Ibid.*, pp. 807-9.

<sup>47</sup> BCP 30 (P/416), Proceedings, Bombay, 29 March 1820, pp. 352-3; *ibid.*, Proceedings, Bombay, 19 April 1820, p. 429.

<sup>48</sup> Amiya Kumar Bagchi, 'Merchants and Colonialism', in D. N. Panigrahi (ed.), *Economy, Society and Politics in Modern India* (New Delhi, 1985), 16.

<sup>49</sup> Board's Collections 285, Extract Bombay Political Consultations, 19 Dec. 1806, pp. 133-4.

<sup>50</sup> In 1812, the English authorities at Surat and Broach were alarmed by large procurements of piece-goods made by Portuguese merchants which they apprehended would affect the Company's investment. BCP 44 (P/415), Proceedings, Bombay, 19 Feb. 1812, pp. 221-2; *ibid.*, Proceedings, Bombay, 18 March 1812, p. 305. In 1820, the Resident at Broach reported to the governor of Bombay that the cultivators of the *parganas* under the Broach Collectorship including Hansot and Aklesar were unwilling to engage to supply *kapas* (un-cleaned cotton) under the terms proposed by him because large advances were already made to them by private agents. BCP 30 (P/416), Proceedings, Bombay, 9 Feb. 1820, pp. 150-1.

<sup>51</sup> There are, nevertheless, references to the hardships suffered by some merchants and producers but these were isolated incidents of exploitation perpetrated by some of the

Company servants who were desperate to benefit personally from trade. Once the aggrieved parties reported the matter to the superior authorities, corrective measure soon followed to redress the grievances. The proceedings of the dispute between the Commercial Resident George Corsellis and the Nawab of Cambay contain several complaints of the city's merchants and producers of agate and cornelian made to the Nawab and the English authorities at Bombay against the exploits of the Resident. On reporting the matter to the Company's higher authorities, the victims were able to voice their grievances and obtain justice. For details, see Board's Collections 286, No. 6490.

<sup>52</sup> Some of these groups are mentioned in an early nineteenth-century account of the revenues of Surat as being present in many villages. Board's Collections 460, No. 11219, Report of the collector of Surat, 1816.

<sup>53</sup> A heavy storm and flooding of the river damaged more than a hundred ships in 1776. VOC 3462, Resoluties [Proceedings of the Dutch Council], Surat, 12 June 1776, f. 372v. In September 1797, a severe inundation of the Tapi River caused great damage to houses and especially those of the poor people and subjected them to 'ruinous expenses in refitting their houses and looms'. BCP 61, Proceedings, Bombay, 1 May 1798, pp. 405-6.

<sup>54</sup> Board's Collections, 286, No. 6490, Extract Bombay Political Consultation, 10 June 1808, p. 60.

<sup>55</sup> In the early nineteenth century, Gujarat experienced this difficulty when sometimes cotton cleaners did not arrive in Broach from Malwa, Khandesh and Kathiawar. The EIC's investment in Broach cotton suffered in 1826 when its delivery was much delayed on account of the non-availability of cotton cleaners. BCP 50, Proceedings, Bombay, 19 April 1826, not foliated.

<sup>56</sup> Under such conditions, death and desertion or flight of people to safer places would jeopardise the entire economic system. Surat and many other parts of Gujarat witnessed this situation in 1790-1 (see Chapter Five). In 1826, outbreaks of cholera in Dholera near Bhavanagar caused heavy mortality and migration of people to safer places bringing the entire business activity to a halt. BCP 50 (P/416), Proceedings, Bombay, 24 May 1826, not foliated.

<sup>57</sup> In 1749, for instance, the total labour employed by the VOC in the construction and repair of houses alone amounted to 60,492 working days; two years later it was 81,582 working days. In 1772, the Company employed an exceptionally large number of workmen amounting to 111,594 working days. These figures have been calculated from the day-wages (*daglonen*) noted in various statements of expenditure on the construction and repair of the Company's houses and ships in Surat.

<sup>58</sup> FRS 74, Proceedings, Surat, 10 May 1796, pp. 549-50.

<sup>59</sup> In 1750, 1772, and 1774, the total labour employed by the VOC on its ships amounted to 3,310; 4,135; and 11,130 work-days, respectively.

<sup>60</sup> For a study of Indian seamen in the service of the EIC and private shipowners, see, Michael H. Fisher, 'Working across the Seas: Indian Maritime Labourers in India, Britain, and in Between, 1600-1857', *International Review of Social History*, 51, Supplement 14 (2006).

<sup>61</sup> Ibid.

<sup>62</sup> D. H. A. Kolff, *Naukar, Rajput, and Sepoy: The Ethnohistory of the Military Labour Market in Hindustan, 1450-1850* (Cambridge, 1990); Jos Gommans, *Mughal Warfare* (London, 2002), 67-97.

<sup>63</sup> VOC 3549, Resoluties, Surat, 2 Dec. 1778, ff. 148v-149r.

<sup>64</sup> Yijo Kaukiainen, 'The Maritime Labour Market: Skill and Experience as Factors of Demand and Supply', in *Sail and Steam: Selected Maritime Writing of Yijo Kaukiainen*, comp. Lars U. Scholl and Merja Liisa Hinkkanen, *Research in Maritime History* No. 27 (Newfoundland: International Maritime Economic History Association, 2004).

<sup>65</sup> In most of the statements of expenditure on the construction and renovation of houses and ships belonging to the VOC, the categories are distinguished and their respective wages are shown. See for instance, several such statements for the years 1760 and 1764 respectively. VOC 3026, Resoluties, Surat, diverse dates, pp. 236, 258, 337-8; VOC 3155, Resoluties, Surat, diverse dates, pp. 296, 527, 529.

<sup>66</sup> FRS 74, Proceedings, Surat, 10 May 1796, pp. 549-50.

<sup>67</sup> Ibid.

<sup>68</sup> This term has been interpreted by scholars in different ways. In the Dutch labour market there were *volkhouders* (dealers in personnel) who on supplying sailors to the Company received a *ceel* or *transportbrief* which they usually sold to speculative entrepreneurs (*ceelkoper*), hence they came to be called *ceelverkoper* or *zielverkoper*. J. R. Bruijn and E. S. van Eyck van Heslinga, 'De scheepvaart van de Oost-Indische Compagnie en het verschijnsel muiterij', in idem (eds.), *Muiterij, oproer en berechting op de schepen van de VOC* (Haarlem, 1980), 17. Some have simply translated the terms as 'soulseller', 'grossiers in personeel'. See P. Marsden, *The Wreck of the Amsterdam* (London, 1974), 38; J. R. Bruijn, *Het gelag der zeelieden* (Leiden, 1978), 8; Frank Lequin, 'Het personeel van de Verenigde Oost-Indische Compagnie in Azië in de achttiende eeuw, meer in het bijzonder in de vestiging Bengalen' (Rijksuniversiteit Leiden, Diss., 1982), 45.

<sup>69</sup> VOC 3438, Resoluties, Surat, 28 Aug. 1764, pp. 263-4.

<sup>70</sup> They were also called *makelaars der zeevarende* (brokers for sailors). VOC 3728, Resoluties, Surat, 7 July 1786, pp. 342-4; VOC 3854, Resoluties, Surat, 20 Nov. 1789, pp. 166-70.

<sup>71</sup> VOC 3576, Van Bijland, *soldijboekhouder*, aan Directeur en Raad van Surat, 1 Oct. 1780, f. 339r-v.

<sup>72</sup> VOC 3670, Resoluties, Surat, 26 Nov. 1784, f. 22r.

<sup>73</sup> The *sarangs* and *tandels* (or *serangs* and *tindals*) played a crucial role in the EIC's recruitment of lascars in Bengal. See Fisher, 'Working across the Seas', 23-8.

<sup>74</sup> There was no uniformity in the size of a group under a *sarang* and *tandel*. A standard group consisted of fifty sailors, but those in the service of the VOC were divided into smaller groups of about twenty each. Thus 46 *sarangs*, 51 *tandels*, and 921 sailors were divided into 53 groups to simplify bookkeeping. VOC 3490, Directeur en Raad van Surat aan GG&R [Director and the Council at Surat to Governor-General and Council], 5 April 1777, ff. 31r-32v.

<sup>75</sup> VOC 3576, Van Bijland, *soldijboekhouder*, aan Directeur en Raad van Surat, 8 Dec. 1779, f. 106v.

<sup>76</sup> In his letter to the director at Surat, Van Bijland reported that thousands of sailors were recruited by local shipowners and all other 'nations' without the permission of the local administration and without the help of brokers. VOC 3576, Resoluties, Surat, 9 Dec. 1779, f. 106v.

<sup>77</sup> Board's Collections 285, No. 6489, Extract Bombay Public Consultations, 11 April 1807, p. 276.

<sup>78</sup> Roelof van Gelder, *Napora's omweg: Het leven van een VOC-matroos (1731-1793)* (Amsterdam, 2003), 357.

<sup>79</sup> It is hard to explain the occasional jumps in the wage of master carpenters from Rs 15 per month to Rs 22.5 in 1761 or Rs 30 per month in 1770, 1780 and 1789.

<sup>80</sup> See the comparative wages in Appendix 2.

<sup>81</sup> Out of 42 rupees paid in advance, 10 rupees (about 25 per cent) were pocketed by brokers and *soldijboekhouders* and the sailors actually received only 32 rupees. VOC 3576, Resoluties, Surat, 9 Dec. 1779, f. 107r.

<sup>82</sup> VOC 3490, Directeur en Raad van Surat aan GG&R, 5 April 1777, f. 32r; VOC 3576, Directeur en Raad van Surat aan GG&R, 31 Dec. 1780, f. 61r-v.

<sup>83</sup> In Bengal and other places the mode of remuneration was rather simple. The brokers received salaries for only two months and for the remaining months sailors were paid their full salaries in Batavia. VOC 3670, Resoluties, Surat, 26 Nov. 1784, ff. 20r-v, 21v; VOC 3727, Directeur en Raad van Surat aan GG&R, 5 Jan. 1787, ff. 92v-93r.

<sup>84</sup> They sometimes did not pay what was due to sailors and cheated them instead by simply providing some clothing and a turban. VOC 3576, Resoluties, Surat, 9 Dec. 1779, f. 107r.

<sup>85</sup> Lequin, 'Personeel van de VOC', Bijlage 7, 425-539.

<sup>86</sup> *Jongens* (boys) and *soldaten* (soldiers) were usually paid a monthly salary of 5 and 9 guilders respectively. Ibid.

<sup>87</sup> J. R. Bruijn, 'Career Patterns', in Paul van Royen, J. R. Bruijn, and Jan Lucassen



(eds.), *'Those Emblems of Hell?' European Sailors and the Maritime Labour Market, 1570-1870* (Research in Maritime History, No. 13, Newfoundland: International Maritime Economic Association, 1997), 31-3. This is evident from the career overview of a large number of VOC personnel in Asia. Lequin, 'Personeel van de VOC', Bijlage 7, 423-539. It is possible, however, that some of them rose to the position of *tandel* and *sarang* in due course during their maritime career.

<sup>88</sup> Surat, being a major centre of shipbuilding, had a wide variety of woods and a well developed and sophisticated carpentry industry. For a detailed report on Surat's wood, see HRB 826, Berigt wegens de Souratse Hout-Werken [Report on Surat's timber], C. L. Senff, Surat, 1750, pp. 1-43.

<sup>89</sup> Home Misc. 420, First Statistical Report on Judicial System and Police, Fort William, Calcutta, 1798, pp. 326-7.

<sup>90</sup> Assa Dayal, a Hindu is the only carpenter mentioned in the records pertaining to Cambay. Board's Collections 286, No. 6490, pp. 58-60. The involvement of the Parsi carpenters and artisans in the ship-building industry of Surat and then Bombay is proverbial. It is evident from a number of lists of sailors recruited from Surat by the VOC that the sailors were overwhelmingly Muslims.

<sup>91</sup> Thus Rahiman, a Muslim, served the Company at Surat for more than twenty years as the head bricklayer, whereas Kirparam, a Hindu, served as the master carpenter. FRS 74, Proceedings, Surat, p. 549.

<sup>92</sup> Board's Collections 286, No. 6490.

<sup>93</sup> VOC 3670, Resoluties, Surat, 14 Dec. 1784, ff. 30v-32r; VOC 3670, Directeur en Raad van Surat aan GG&R, 16 Jan. 1785, ff. 81r-90r.

<sup>94</sup> VOC 2679, Directeur en Raad van Surat aan GG&R, 30 Jan. 1746, pp. 7-21.

<sup>95</sup> FRS 79, Proceedings, Surat, 3 March 1800, p. 108.

<sup>96</sup> FRS 79, Proceedings, Surat, 21 June 1800, pp. 421-3.

<sup>97</sup> One of the more effective weapons for the English to suppress this 'evil' was to get the Maratha chief to order his port authorities to prohibit the sale of captured goods at their ports. FRS 78, Proceedings, Surat, 26 July 1799, pp. 419-36.

<sup>98</sup> This dimension is fairly well explored in the study of piracy in the Atlantic world. See David J. Starkey, 'Pirates and Markets', in Lewis R. Fischer (ed.), *Research in Maritime History*, no. 7, *The Market for Seamen in the Age of Sail* (Newfoundland, 1994); J. L. Anderson, 'Piracy and World History: An Economic Perspective on Maritime Predation', *Journal of World History*, 6/2 (1995); idem, 'Piracy in the Eastern Sea, 1750-1850: Some Economic Implications', in David J. Starkey et al. (eds.), *Pirates and Privateers: New Perspectives on the War on Trade in the Eighteenth and Nineteenth Centuries* (Devon, 1997).

<sup>99</sup> FRS 59, Proceedings, Surat, 31 July 1781, pp. 201-2.

<sup>100</sup> FRS 74, Proceedings, Surat, 7 May 1796, pp. 521-3.

<sup>101</sup> Ibid., p. 545.

<sup>102</sup> *Parvu*, *purvoo* or *purboo* refers to the writer caste in western India. The *parvus* employed by the EIC served as writers and keepers of accounts and could also write English. See Henry Yule and A. C. Burnell, *Hobson Jobson: A Glossary of Anglo-Indian Colloquial Words and Phrases, and of Kindred Terms, Etymological, Historical, Geographical and Discursive* (London, 1985), 682.

<sup>103</sup> FRS 74, Proceedings, Surat, 7 May 1796, p. 521.

<sup>104</sup> Ibid., pp. 541-2. This included a head *parvu* with a monthly salary of Rs 45, a second *parvu* with Rs 30, a third with Rs 25, and a master carpenter who was also paid Rs 30 a month. Ibid.

<sup>105</sup> Janardhan, overseer, thus served the Company in that capacity for 35 years, Bhukandas Mehta for 34 years, Shambhudas, the shroff, Coverji and Devji, peons, for 32 years, Kalyan and Yaran, head builders, for 30 years. Ibid., pp. 549-50.

<sup>106</sup> The Marathas wanted to keep a troop of 400 armed men in Surat to which the Nawab did not agree. For the details concerning the points of dispute between the two, see FRS 64, Proceedings, Surat, 10 Jan. 1786, pp. 14-29.

*Notes to Chapter Three*

<sup>1</sup> Ashin Das Gupta, *Indian Merchants and the Decline of Surat c. 1700–1750* (Wiesbaden, 1979); Lakshmi Subramanian, *Indigenous Capital and Imperial Expansion, Surat, Bombay and the West Coast* (New Delhi, 1986); idem, 'Banias and the British: the Role of Indigenous Credit in the Process of Imperial Expansion in Western India in the Second Half of the Eighteenth Century', *MAS* 21/3 (1987); Michelguglielmo Torri, 'In the Deep Blue Sea: Surat and its Merchant Class During the Dyarchic Era, 1759–1800', *IESHR* 19/3–4 (1982). Some other scholars also made their contributions to advance our understanding of Gujarati merchants and their trading world. Ghulam A. Nadri, 'The Commercial World of Mancherji Khurshedji and the Dutch East India Company: A Study of Mutual Relationship', *MAS* 41/2 (2007); idem, 'Maritime Merchants of Surat: A Long-term Perspective', *JESHO* 50/2–3 (2007); Douglas Haynes, 'From Avoidance to Confrontation? A Contestatory History of Merchant–State Relations in Surat, 1600–1924', in Douglas Haynes and Gyan Prakash (eds.), *Contesting Power: Resistance and Everyday Social Relations in South Asia* (New Delhi, 1991).

<sup>2</sup> Brokers for the European Companies, for example, were usually rich merchants who not only facilitated their clients' sales and purchases of merchandise, but also at times provided the necessary capital.

<sup>3</sup> Usually both the functions were combined in one person.

<sup>4</sup> Irfan Habib, 'Banking in Mughal India', *Contributions to Indian Economic History*, 1 (Calcutta, 1960); Om Prakash, 'Sarrafs, Financial Intermediation and Credit Network in Mughal India', in H. G. Van Cauwenbergh (ed.), *Money, Coins and Commerce: Essays in the Monetary History of Asia and Europe from Antiquity to Modern Times* (Belgium, 1991).

<sup>5</sup> Philip D. Curtin, *Cross-Cultural Trade in World History* (Cambridge, 1984), 2, 230.

<sup>6</sup> André Wink, 'The Jewish Diaspora in India: Eighth to Thirteenth Centuries', *IESHR* 24/4 (1987); Stephen Frederic Dale, *Indian Merchants and Eurasian Trade, 1600–1750* (Cambridge, 1994), especially chapter 1; Scott C. Levi, *The Indian Diaspora in Central Asia and its Trade, 1550–1900* (Leiden, 2002), 86–90. For a recent application of this tool of analysis for a study of the English merchants, see Sören Mentz, *The English Gentlemen Merchant at Work, Madras and the City of London 1660–1740* (Copenhagen, 2005).

<sup>7</sup> The terms 'diaspora' and 'community' have been interchangeably used in this book to denote ethnic communities whose members were socially interdependent but spatially dispersed.

<sup>8</sup> In rejecting the notion of 'diaspora' as a theoretical proposition, K. N. Chaudhuri has argued that tendencies like striving to monopolise the trade in certain commodities, possessing a social and political organisation of an informal nature and exchanging commercial information through friends of the same group are not determined by the fact of spatial dispersion but were general characteristics of human behaviour. K. N. Chaudhuri, *Trade and Civilization in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge, 1985), 224–7.

<sup>9</sup> For a critical evaluation of merchant diasporas see M. N. Pearson, *The Indian Ocean* (London, 2003), 100–1; Bhaswati Bhattacharya, Gita Dharampal-Frick, and Jos Gommans, 'Spatial and Temporal Continuities of Merchant Networks in South Asia and the Indian Ocean (1500–2000)', *JESHO* 50/2 (2007), 94–5. A recent study on medieval Aden (11th–13th centuries) suggests that the Muslim, Hindu, and Jewish merchants interacted closely with and trusted each other in commercial transactions. Roxani Eleni Margariti, *Aden & the Indian Ocean Trade: 150 Years in the Life of a Medieval Arabian Port* (Chapel Hill, 2007), 155–8, 178–81, 213–14.

<sup>10</sup> Calude Markovits, *The Global World of Indian Merchants, 1750–1947: Traders of Sind from Bukhara to Panama* (Cambridge, 2000); Bhattacharya et al., 'Spatial and Temporal Continuities', 95–7. The inadequacy of the notion of diasporas as an analytical tool for explicating the nature of interaction among trading societies has also been underscored by other scholars. Chaudhuri, *Trade and Civilization in the Indian Ocean*, 223–4. Sanjay Subrahmanyam's analysis of Persian immigrants and their integration into the local systems of trade and administration also debunks the notion of diasporas. Sanjay Subrahmanyam, 'Iranians Abroad: Intra-Asian Elite Migration and Early Modern State

Formation', *Journal of Asian Studies*, 51 (1992).

<sup>11</sup> Nadri, 'Maritime Merchants of Surat'.

<sup>12</sup> Since 1659, when Kishandas was appointed as the Company's broker, this family held this office without interruption until the VOC itself was dissolved in 1795. Ibid. 241-3, 256.

<sup>13</sup> Ibid. See the family tree of Rudraram Raidas in Appendix 3.

<sup>14</sup> Brokering for the European Companies certainly opened up business avenues and opportunities which in addition to social respectability, patronage, and personal and business security that came with the package, contributed to a more rapid expansion of the family's commercial enterprise. It is, however, unfair to attribute this solely to the merchant's association with a European Company. See, Nadri, 'Maritime Merchants of Surat'.

<sup>15</sup> Govindram could assume the official position of a broker only after his father's death in 1762, and since then he was always referred to as the 'second' broker. He was thus neither a co-broker in the 1750s nor was he senior to Mancherji, as Torri has suggested. Michelguglielmo Torri, 'Mughal Nobles, Indian Merchants and the Beginning of British Conquest in Western India: The Case of Surat 1756-1759', *MAS* 32/2 (1998), 263-4, 281-2.

<sup>16</sup> See copy of the sale contract. VOC 3728, Resoluties [Proceedings of the Dutch Council], Surat, 27 March 1786, pp. 184-5.

<sup>17</sup> Contracts of purchases from the Company show that the buyers were mostly other merchants and the brokers simply enjoyed their commission. In November 1786, Lala Haridas bought the merchandise imported on *De Geregtigheijd*. VOC 3728, Resoluties, Surat, 11 Nov. 1786, pp. 455-7. In 1787, Jayanath Mancharam and Lala Haridas were the buyers. VOC 3805, Resoluties, Surat, 3 April 1787, pp. 106-8; VOC 3805, Resoluties, Surat, 24 Dec. 1787, pp. 325-6. Subsequently, some other merchants such as Bhaidas Kashidas, Kautji Rustam, Deepchand Kishorchand, Stevanus Aghabab, Wallabbhai Kishordas, Devichand Wanmali, Godje Fanus, Navalshah Miaramshah, Miaram Asharam and Belsali Manikchand were among the principal buyers of the Company's imports into Surat. VOC 3853, Directeur en Raad van Surat aan GG&R [Director and the Council at Surat to Governor-General and Council], 19 Dec. 1789, ff. 94r-95r; VOC 3854, Resoluties, Surat, 14 Nov. 1789, pp. 156-8; VOC 3854, Resoluties, Surat, 20 Nov. 1789, pp. 164-5; VOC 3854, Resoluties, Surat, 5 Dec. 1789, pp. 184-6; VOC 3899, Resoluties, Surat, 25 Feb. 1790, ff. 151v-152r; VOC 3899, Resoluties, Surat, 18 May 1790, f. 201r; VOC 3899, Resoluties, Surat, 14 Aug. 1790, 213v-214r; VOC 3899, Resoluties, Surat, 30 Sept. 1790, ff. 219v-222r; VOC 3900, Directeur en Raad van Surat aan GG&R, 24 Jan. 1791, f. 10v; VOC 3982, Directeur en Raad van Surat aan GG&R, 31 Jan. 1792, f. 152r; VOC 3982, Directeur en Raad van Surat aan GG&R, 3 March 1792, f. 161r.

<sup>18</sup> 'Protection' is an ambiguous term that was frequently mentioned in the Companies' records but its meaning and implications were nowhere explained. In all probability, a merchant under the protection of the EIC or the VOC meant that his activities were in complete accord with the Company's interests and that he had the latter's protection whenever his interests were threatened from any quarters. Those under English protection paid customs on imports and exports at the *latty* in Surat at the Company's rates and enjoyed customs exemption or paid less duty at Bombay or other English-controlled ports. For details, see pages 78-9 and Nadri, 'Commercial World of Mancherji Khurshedji'.

<sup>19</sup> In 1749, he invested money on bottomry. TNSA 1644, doc. no. 32, Surat, 10 Feb. 1749, pp. 127-9.

<sup>20</sup> In 1764, for instance, one of his employees was beaten up in the street by an employee of Dhanjishah Manjishah and the local administration put him under house arrest and placed troops at his house. Nadri, 'Commercial World of Mancherji Khurshedji', 315-16.

<sup>21</sup> In 1757, his ship the *Faiz Bakhsb* sailed to Siam via Malacca where his agents bought another ship, called *Faiz Bahadur*. TNSA 1654, doc. no. 40, Surat, 1763; doc. no. 55, Surat, 1763, pp. 91-2. Another ship named *Emmudi* sailed to Siam in 1760. TNSA 1654, doc. no. 56. In 1760, the *Faiz Bahadur* sailed to Siam and returned with a cargo consisting of his own goods as well as freight goods belonging to other merchants of Surat. VOC 3026, Resoluties, Surat, 6 Nov. 1760, pp. 298-300. In 1769, another ship called *Khuda*

*Bakhsh* was sent to Batavia that also contained goods belonging to A. J. Sluijsken, the second-in-rank and in charge of the warehouses of the VOC at Surat. VOC 3268, Directeur en Raad van Surat aan GG&R, 15 Dec. 1769, ff. 7r-9r, 13v.

<sup>22</sup> HRB 844, *Memorie van Overgave*, Louis Taillefert, pp. 86-7.

<sup>23</sup> VOC 2863, Resoluties, Surat, 14 Oct. 1754, p. 147; VOC 2863, Resoluties, Surat, 18 Nov. 1754, pp. 176-7; VOC 3155, Resoluties, Surat, 7 Feb. 1764, pp. 79-80; VOC 3576, Resoluties, Surat, 6 Oct. 1780, ff. 251r-251v; SFD 15/II (1759-61), Surat to Bombay, 8 March 1761, p. 274.

<sup>24</sup> In 1780, he concluded a contract with the Company to buy most of the imports. VOC 3576, Resoluties, Surat, 11 Dec. 1780, ff. 298r-v. This is perhaps the last contract he made before the Dutch establishments were taken over by the English. Mancherji Khurshedji died before the Dutch could resume their commercial activities at Surat in 1784.

<sup>25</sup> He was not allowed to succeed largely on account of the huge debts and falling credibility of the house of Mancherji. VOC 3670, Directeur en Raad van Surat aan GG&R, 16 Jan. 1785, f. 72r-v, 95v-98r; VOC 3670, Resoluties, Surat, 4 Nov. 1784, ff. 193r-195v; VOC 3670, Resoluties, Surat, 5 Dec. 1784, ff. 220r-225v.

<sup>26</sup> Knowledge of the Dutch language was perhaps considered an added advantage for this kind of position. Govindram Rudraram also knew the language and could converse with the Dutch authorities.

<sup>27</sup> VOC 3670, Directeur en Raad van Surat aan GG&R, 16 Jan. 1785, ff. 95v-98r.

<sup>28</sup> In 1775, a Dutch traveller, J. S. Stavorinus, found him commercially in much reduced state. J. S. Stavorinus, *Voyages to the East Indies the Whole Comprising a Full and Accurate Account of all the Present and Late Possessions of the Dutch in India, and at the Cape Good Hope*, tr. H. Wilcocke, III (London, 1798), 171; Torri, 'In the Deep Blue Sea', 269. He was insolvent when he died and the property he left behind was not sufficient even to meet the demands of his creditors. VOC 3670, Directeur en Raad van Surat aan GG&R, 15 Jan. 1785, ff. 5v-6r; VOC 3670, Directeur en Raad van Surat aan GG&R, 16 Jan. 1785, f. 72r-v, 95v-98r.

<sup>29</sup> With a great deal of effort, Bahmanji could be persuaded to provide a monthly stipend of Rs 40 apart from Rs 300 for the marriage expenses of the two daughters. VOC 3899, Directeur en Raad van Surat aan GG&R, 15 Dec. 1790, ff. 72r-73v; VOC 3899, Resoluties, Surat, 19 July 1790, ff. 210r-212r; VOC 2983, Resoluties, Surat, 3 May 1792, p. 111.

<sup>30</sup> In the deliberations regarding Mancherji's appointment as broker of the Company, the authorities expressed apprehension about the sectarian animosity. HRB 838, *Memorie van Overgave*, Jan Schreuder, pp. 353-8; VOC, 2786, Resoluties, Surat, 17 Jan. 1750, pp. 312-13.

<sup>31</sup> In Basra, for instance, businesses were conducted mostly along denominational lines and partnerships occurred largely within the family or the community. Thus, in the eighteenth century, there were only two inter-community partnerships out of forty-three. Thabit A. J. Abdullah, *Merchants, Memluks, and Murder: The Political Economy of Trade in Eighteenth-Century Basra* (New York, 2001), 92. The business rivalry among merchants divided into communities intensified in the second half of the century. Ibid. 111-12.

<sup>32</sup> See for example, names of merchants listed as freighters sending their merchandise to Mokha and Jeddah on a vessel of Edulji Kowasji sailing from Cambay in 1808. Board's Collections 286, Extract Bombay Political Consultation, 29 July 1808, pp. 353-5. The representations made by some merchants of Cambay trading in agate and cornelian to the EIC's authorities at Bombay against George Corsellis, the commercial resident, also testifies to the fact that Hindu and Muslim merchants participated in this branch of trade. Ibid. 241-7.

<sup>33</sup> A Hindu merchant, Coopa Chetty, and a Muslim, Shaikh Sultan, jointly owned a ship called *Mohideen Bux*. Sinnappah Arasaratnam, *Merchants, Companies and Commerce on the Coromandel Coast, 1650-1740* (New Delhi, 1986), 282.

<sup>34</sup> Gupta, *Indian Merchants*; Ghulam A. Nadri, 'Merchants in Late Mughal Gujarat: Evidence from Two Major Persian Sources', *PIHC* (Aligarh, 1998).

<sup>35</sup> Ali Mohammad Khan, *Mirat-i Ahmadi*, ed. Syed Nawab Ali, II (Baroda, 1928), 147-

52; Nadri, 'Merchants in Late Mughal Gujarat'.

<sup>36</sup> *Mirat-i Ahmadi*, II, 154-5, 168-9.

<sup>37</sup> VOC 2390, *Extract Passeboek* [Extract from the book of passes], 20 April 1736, p. 1209.

<sup>38</sup> SFD 16/1 (1761-63), Proceedings, Surat, 10 Aug. 1762, pp. 213-18.

<sup>39</sup> *Mirat-i Ahmadi*, II, 177.

<sup>40</sup> Torri, 'Mughal Noble, Indian Merchants', 262.

<sup>41</sup> This appears from the fact that in many disputes among merchants Mulla Fakhruddin was chosen as the arbiter by one or another of the parties.

<sup>42</sup> FRS 67, Proceedings, Surat, 18 Oct. 1789, p. 342; FRS 69, Proceedings, Surat, 12 May 1791, p. 123; FRS 65, Proceedings, Surat, 13 Oct. 1787, p. 335.

<sup>43</sup> FRS 75, Proceedings, Surat, 24 Sept. 1796, pp. 857-8.

<sup>44</sup> In 1793-94, when Mulla Abdul Fath exported goods worth Rs 135,709 free of customs, the English authorities suspected that the goods belonged to other merchants. FRS 73, Proceedings, Surat, 21 May 1795, pp. 236-47.

<sup>45</sup> *Ibid.*

<sup>46</sup> FRS 75, Proceedings, Surat, 24 Sept. 1796, pp. 857-8; FRS 75, Proceedings, Surat, 12 Oct. 1796, pp. 904-6, 908-13.

<sup>47</sup> See VOC 3026, *Memorie van scheepen en vaartuijgen* [Report on ships and vessels], 1761, pp. 126-32. In the English factory records pertaining to Surat in the late eighteenth century, several references to the arrival and departure of ships belonging to Chalebi merchants of Surat may be found.

<sup>48</sup> Stavorinus, *Voyages to the East Indies*, III, 20.

<sup>49</sup> *Ibid.*, II, 378-9.

<sup>50</sup> VOC 3408, *Memorie van scheepen en vaartuijgen*, 1774, ff. 310r-314r.

<sup>51</sup> FRS 68, Proceedings, Surat, 22 April 1790, p. 232.

<sup>52</sup> FRS 59, Basra Resident to the Chief at Surat, 15 Aug. 1780, pp. 25-6; *ibid.*, Surat to Bombay, 8 March 1781, p. 53.

<sup>53</sup> FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf freight), pp. 661-2.

<sup>54</sup> SFD 16/1 (1761-63), Proceedings, Surat, 10 Aug. 1762, pp. 215-18.

<sup>55</sup> FRS 71, Proceedings, Surat, 14 April 1793, p. 94; FRS 72, Proceedings, Surat, 21 Dec. 1794, p. 318; BCP 57, Proceedings, Bombay, 23 March 1796, pp. 325-6; BCP 58, Proceedings, Bombay, 3 Dec. 1796, pp. 1046-1102; FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf freight), 1796, pp. 661-2.

<sup>56</sup> FRS 65, Proceedings, Surat, 12 Sept. 1787, p. 284. In 1788, she sailed to Mokha and Jeddah under English colours. FRS 66, Proceedings, Surat, 3 April 1788, p. 80; FRS 69, Proceedings, Surat, 22 Sept. 1791, p. 223. In 1795, the *Faiz Khudai* sailed to Jeddah. FRS 73, Proceedings, Surat, 31 March 1795, p. 178.

<sup>57</sup> Letters Received 49, Letter no. 2, A. J. Sluijsken to William Hornby, President and the Governor of Bombay, 2 Jan. 1783.

<sup>58</sup> VOC 3854, Resoluties, Surat, 26 Jan. 1789, p. 3; FRS 69, Proceedings, Surat, 21 April 1791, p. 84; FRS 72, Proceedings, Surat, 31 March 1794, p. 86; FRS 72, Proceedings, Surat, 17 Sept. 1794, p. 193. See also Torri, 'In the Deep Blue Sea', 277.

<sup>59</sup> HRB 844, *Memorie van Overgave*, Louis Tallefert, p. 87. At least two ships, the *Manik Sawai* and *Dada Khudai*, belonging to Manik Dada are mentioned as sailing to Bandar Abbas and Bengal in 1755-56 and 1757-58 respectively. VOC 2967, Resoluties, Surat, 18 Sept. 1758, not foliated.

<sup>60</sup> See VOC 3462, *Memorie van scheepen en vaartuijgen*, 1776, ff. 17r-19v; VOC 3490, *Memorie van scheepen en vaartuijgen*, 1777, f. 40r-v; SFD 17/1 (1763-65), Surat to Bombay, 28 Feb. 1764, p. 208.

<sup>61</sup> At least two of his ships, the *Salamati Sawai* and *Daulat Rasan*, are mentioned as carrying 35 bales and 104 bales of cotton, respectively. FRS 61, Surat to Bombay, 18 April 1783, pp. 80-2.

<sup>62</sup> VOC 3462, Resoluties, Surat, 12 June 1776, f. 372v.

<sup>63</sup> In 1790, for instance, 131 vessels sailed northward and 109 to Bombay. FRS 68, Proceedings, Surat, 5 March and 4 April 1790, pp. 143, 203. In March 1793, 169 vessels



sailed northward while 161 sailed to Bombay. FRS 71, Proceedings, Surat, 19 and 31 March 1793, pp. 73, 82. In April the same year, again 183 vessels sailed to Bombay. Ibid.; FRS 71, Proceedings, Surat, 18 April 1793, p. 102. In 1795, too, a convoy of 113 vessels sailed northward. FRS 73, Proceedings, Surat, 7 April 1795, p. 186.

<sup>64</sup> In 1767, a ship belonging to a Turkish merchant was hired by the English to sail to Jeddah with a freight cargo. Collectie Alting, No. 59, *Memorie wegens der chiappen der goederen* [Report concerning the stamping of goods], anno 1767, not foliated. In 1780, the VOC hired a ship belonging to Saleh Chalebi that sailed to Canton where it was seized by the English Commander Captain McLary during the Anglo-Dutch War and later sold by the owner to a Portuguese merchant. HRB 864, A. J. Sluijsken, *Opperkoopman en secunde van Surat aan GG&R* [A. J. Sluijsken, senior merchant and second-in-charge at Surat to Governor-General and Council], 1782. See also Om Prakash, 'Cooperation and Conflict among European Traders in the Indian Ocean in the Late Eighteenth Century', *JESHR* 39/2-3 (2002), 136-9.

<sup>65</sup> TNSA 1644, doc. no. 16, Surat, 10 Sept. 1749.

<sup>66</sup> Ibid.

<sup>67</sup> Unfortunately, their respective shares cannot possibly be calculated. From the fact that almost all ocean-going ships carried cargo that belonged to merchants other than the owner it may be construed that the latter's share in the total cargo was rather limited. This is also evident from the EIC's policies and efforts to control and monopolise Surat's freight traffic to West Asia.

<sup>68</sup> A certificate given to the English was signed by more than fifty prominent merchants of Surat, predominantly Muslims, some Parsis, and a few Armenians. SFD 17/1 (1763-65), pp. 210-11.

<sup>69</sup> Thus out of twenty-five merchants freighting goods to Mokha and Jeddah in 1806, at least fifteen were Hindus. Board's Collections 286, Extract Bombay Political Consultation, 29 July 1808, pp. 353-5.

<sup>70</sup> Several vessels reportedly sailed to East African ports. A vessel belonging to Dhanjishah Manjishah sailed to Zanzibar and on the way back to Surat was captured by the Portuguese. Home Misc. 108, Extract of the general letter from Bombay to the Court of Directors of the United East-India Company, 22 Dec. 1771, pp. 151-2; Home Misc. 108, Extract of Bombay General Consultations, 27 March 1772, pp. 165-9. In 1798, a *ghurab* belonging to Morad Khan sailed from Bhavanagar to Zanzibar and returned with a cargo consisting of tusks worth Rs 11,000 and a quantity of cowries and false amber worth Rs 2,000, among other things. FRS 77, Proceedings, Surat, 16 April 1798, pp. 330-2. It is, however, not certain whether the merchandise belonged to the owners of the vessels.

<sup>71</sup> Abdul Sheriff, *Slaves, Ships and Ivory in Zanzibar: Integration of an East African Commercial Empire into the World Economy, 1770-1873* (Nairobi, 1987), 20; M. Reda Bhacker, *Trade and Empire in Muscat and Zanzibar: Roots of British Domination* (London, 1992), 25-7.

<sup>72</sup> Sheriff, *Slaves, Ships and Ivory*, 20-1. Masqat grew as a major commercial entrepôt which gave access to the highly lucrative trade in Yemeni coffee, and a large part of the demand for eastern goods from the Persian Gulf and particularly Persia began to be catered to by the merchants based at Masqat. Bhacker, *Trade and Empire*, 26-7.

<sup>73</sup> FRS 73, Proceedings, Surat, 22 Oct. 1795, p. 619.

<sup>74</sup> Claude Markovits, 'Indian Merchant Networks Outside India in the Nineteenth and Twentieth Centuries: A Preliminary Survey', *MAS* 33/4 (1999); idem, 'Structure and Agency in the World of Asian Commerce during the Era of European Colonial Domination (c. 1750-1950)', *JESHO* 50/2-3 (2007); Pedro Alberto da Silva Rupino Machado, 'Gujarati Indian Merchant Networks in Mozambique, c. 1777-1830' (University of London, PhD diss., 2005); Ghulam A. Nadri, 'Exploring the Gulf of Kachh: Regional Economy and Trade in the Eighteenth Century', *JESHO* 51/3 (2008).

<sup>75</sup> Sheriff, *Slaves, Ships and Ivory*, 83-4. Kachh imported twice as much ivory as the British ports of Bombay and Surat and she supplied as late as 1839 about three times as many cotton goods. Ibid.

<sup>76</sup> The cotton trade with Bengal was so brisk that the Batavia Government instructed

the Dutch authorities at Surat to export 500,000 Dutch pounds of cotton to Bengal annually. VOC 3063, Directeur en Raad van Surat aan GG&R, 27 April 1762, pp. 85-6.

<sup>77</sup> FRS 68, Proceedings, Surat, 2 Aug. 1790, pp. 379-85. Unfortunately, we do not have corresponding figures for the *furza* or Mughal custom-house where all merchants who were not under English protection paid duties. Taken together, the total volume of trade, it may be presumed, must have been quite large.

<sup>78</sup> Ships and vessels like *Shah Alam*, *Faiz Ilahi*, *Mokha Merchant*, *Judda Merchant*, *Faiz Alam*, *Murshidabad*, *Fath-i Daulat*, *Salamat-i Sawai*, *Fath-i Da'd*, *Emmoody*, *Fath-i Bakhsh*, *Hormuzyar*, *Sulemani*, *Fath-i Murad*, *Khuda Bakhsh*, *Faiz Islam*, *Dariya Daulat*, *Fath-i Mubarak*—all belonging to Asian merchants—frequently sailed between Surat and Bengal. Ibid.

<sup>79</sup> Ibid. Merchants like Mary Pross, Zakeria Avajan, Macartiz Maliknaas, Casper Joans, Cojah Fanus Simon, Nagar Kishandas, Mohammad Yusuf Alibhai, Badruddin Mohammad Yusuf, Visbukandas Tapidas, Kalyanji Serpat, Nanabhai Bahmanji, Bahmanji Khurshedji, and others, all under English protection, were mainly engaged in importing raw silk and piece-goods to Surat.

<sup>80</sup> This is evident from the declining value of imports of Bengal goods at Surat from at least 1770 onwards. Ibid.; Michelguglielmo Torri, 'Trapped inside the Colonial Order: The Hindu Bankers of Surat and their Business World during the Second Half of the Eighteenth Century', *MAS* 25/2 (1991), 381-2.

<sup>81</sup> Nadri, 'Commercial World of Mancherji Khurshedji'.

<sup>82</sup> Letters Received 49, Bombay to London, 1 Jan. 1789, p. 3; *ibid.*, Bombay to London, 20 Jan. 1789, p. 59; *ibid.*, Proceedings, Bombay, 27 Feb. 1789, p. 85.

<sup>83</sup> Letters Received 49, Proceedings, Bombay, 16 June 1789, pp. 174-5 (When loaded into a ship, cotton bales were compressed by means of giant screws).

<sup>84</sup> VOC 2823, Resolutions, Surat, 14 Oct., 1753, pp. 221-2.

<sup>85</sup> VOC 2842, Resolutions, Surat, 26 Sept. 1753, Captain Joachim Ontjes (after his return from Mokha) to J. Pecoock, Sept. 1753, pp. 341-5.

<sup>86</sup> VOC 10429, 'Dagregister van zodanige voorvallen als er in het uijtvoeren van de commissie om represailles van den Radja van Kets te neemen, gepasseert zijn' [Diary of such incidents as occurred in carrying out the commission to take reprisals against the Raja of Kachh], pp. 26-46; Also a copy in VOC 2995, 'Bijlagen gehorende tot de Resolutien d' anno 1759' [Appendices to the Proceedings of the year 1759].

<sup>87</sup> VOC 3026, Resolutions, Surat, 9 Feb. 1760, pp. 29-30. One of the signatories of the petition was a merchant of Porbandar.

<sup>88</sup> Ashin Das Gupta, *Malabar in Asian Trade, 1740-1800* (Cambridge, 1967), 25, 91-3.

<sup>89</sup> VOC 2803, Resolutions, Surat, 9 March 1752, pp. 462-3.

<sup>90</sup> Nawab Momin Khan's family owned at least five vessels. FRS 61, Cambay to Surat, 25 March 1783, pp. 52-3; FRS 61, Cambay to Jambusar, 4 April 1783, pp. 68-9.

<sup>91</sup> The brokers of the VOC often consigned a part of the merchandise they purchased to these regions for sale in the interior. Mancherji's vessels frequently sailed to Bhavanagar, Kachh, Thatta, and Sind carrying his own goods as well as those belonging to other merchants buying from him. VOC 2863, Resolutions, Surat, 18 Nov. 1754, pp. 147, 176-7; VOC 3155, Resolutions, Surat, 7 Feb. 1764, pp. 79-80; VOC 3576, Resolutions, Surat, 6 Oct. 1780, f. 251r-v.

<sup>92</sup> VOC 2803, Resolutions, Surat, 10 Dec. 1751, p. 332.

<sup>93</sup> VOC 2823, Resolutions, Surat, 4 Feb. 1753, pp. 287-8.

<sup>94</sup> SFD 14/II (1758-59), Proceedings, Surat, 11 Nov. 1759, p. 445.

<sup>95</sup> FRS 60, Proceedings, Surat, 28 March 1782, 'Petition from the seven Armenian merchants', p. 70; FRS 58, Proceedings, Surat, 25 April 1780, pp. 116-17. Every merchant of some substance had a Parsi or, as in most cases, a Hindu Bania broker to keep an account of all investments in merchandise and financial transactions.

<sup>96</sup> FRS 62, Broach to Surat, 28 Nov. 1784, pp. 324-5.

<sup>97</sup> FRS 67, Proceedings, Surat, 13 April 1789, 'Petition of Bhimji Nunji to the President at Bombay', pp. 138-9.

<sup>98</sup> Ibid.

<sup>99</sup> Thus, merchants like Raghunath Nandu and Manikji Pestonji, apart from trading on their own, also rendered agency services to West Asian merchants Bhimji Hirji and Mowji Rowji. Similarly, some Arab merchants at Surat are spoken of as agents of the merchants of Red Sea ports. FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf freight), pp. 673-4.

<sup>100</sup> Abdullah, *Merchant, Memlaks, and Murder*, 94.

<sup>101</sup> The difference between an agent and a broker is largely functional. Whereas the former was the representative of another merchant taking care of the latter's business transactions, a broker simply managed the disposal and procurement of goods, usually on a temporary basis.

<sup>102</sup> Respondentia and bottomry were the means of extending loans or of accumulating capital for investment and were mechanisms of pooling mercantile resources for large enterprises. Whereas respondentia loans were secured by the ship's cargo, a bottomry loan was secured by the ship.

<sup>103</sup> SFD 15/I (1759-61), Surat to Bombay, 21 Dec. 1759, pp. 19-20; SFD 15/I (1759-61), Surat to Bombay, 25 Dec. 1759, pp. 20-1; SFD 15/I (1759-61), Bombay to Surat, 5 Jan. 1760, p. 29.

<sup>104</sup> SFD 14/II (1758-59), Proceedings, Surat, 11 Nov. 1759, p. 445. The supercargoes were given a list of such merchants from whom the amount was to be recovered at Mokha.

<sup>105</sup> SFD 15/I (1759-61), Surat to Bombay, 25 Dec. 1759, pp. 20-1.

<sup>106</sup> FRS 62, Proceedings, Surat, 8 and 21 March 1784, pp. 62-4, 91, 97; FRS 62, Surat to Bombay, 7 April 1784, p. 109.

<sup>107</sup> There are several legal documents containing such arrangements made at Surat in the second half of the eighteenth century. For many Dutch officials, this was also the means of transferring funds from Surat to Batavia. TNSA 1652, doc. no. 40, Surat 1760; doc. no. 116, Surat, 20 Dec. 1789, pp. 299-300; TNSA 1665, doc. no. 123, Surat, 16 Jan. 1790, pp. 315-17; doc. no. 161, Surat, 17 Dec. 1790, pp. 401-3; doc. no. 117, Surat, 7 Jan. 1790.

<sup>108</sup> TNSA 1644, doc. no. 32, Surat, 10 Feb. 1749, pp. 127-9. The term used here is not interest but *opgeld* (*agio*), which means *batta*, or commission.

<sup>109</sup> TNSA 1652, doc. no. 40, Surat, 1760; TNSA 1665, doc. no. 123, Surat, 16 Jan. 1790, pp. 315-17.

<sup>110</sup> VOC 2803 Directeur en Raad van Surat aan GG&R, 11 April 1752, pp. 82-4.

<sup>111</sup> VOC 3854, Resoluties, Surat, 24 Oct. 1788, pp. 144-6.

<sup>112</sup> Ibid. In 1787, nineteen private and seven EIC ships sailed from Bombay to China.

<sup>113</sup> Ibid.

<sup>114</sup> For a detailed study on the role of brokers in seventeenth-century India, see A. J. Qaiser, 'The Role of Brokers in Medieval India', *Indian Historical Review*, 1/2 (1974).

<sup>115</sup> Prakash, 'Sarrafis, Financial Intermediation and Credit Network'.

<sup>116</sup> Subramanian, 'Banias and the British'; idem, 'The Eighteenth-Century Social Order in Surat: A Reply and an Excursus on the Riots of 1788 and 1795', *MAS* 25/2 (1991); idem, *Indigenous Capital*; Torri, 'Trapped inside the Colonial Order'.

<sup>117</sup> SFD 16/I (1761-63), Surat to Bengal, 13 June 1762, pp. 179-80; FRS 56, Proceedings, Surat, 28 March 1778, p. 33; FRS 58, Proceedings, Surat, 13 June 1780 (Fort William to Surat, 27 March 1780), p. 159; FRS 60, Proceedings, Surat, 24 Sept. 1782 (Fort William to Surat, 5 Aug. 1782), pp. 147-8.

<sup>118</sup> SFD 14/I (1758-59), Surat to Bombay, 27 March 1759, p. 248; FRS 65, Surat to Bombay, 19 Sept. 1787, pp. 300-1.

<sup>119</sup> Whereas Subramanian has argued that these *sarrafis* represented the most affluent, organised, and politically influential group, Torri has demonstrated that they lacked cohesion, were ill-organised and had no unanimity of purpose and interest in Surat or elsewhere. Subramanian, 'Banias and the British'; Torri, 'Trapped inside the Colonial Order'.

<sup>120</sup> Torri, 'Trapped inside the Colonial Order', 383-91.

<sup>121</sup> For Surat's annual export of cash to Batavia and other factories, see HRB 848, *Memorie van Overgave*, C. L. Senff, pp. 438-41 (Appendix 14).

<sup>122</sup> VOC 3094, Directeur en Raad van Surat aan GG&R, 12 Jan. 1763, pp. 62-3.

<sup>123</sup> In 1769, they borrowed Rs 150,000 from them at the usual rate of 0.75 per cent per



month. VOC 3269, Resoluties, Surat, 1 June 1769, p. 118. In 1779–80 similarly, the Company negotiated with Khushhalchand Kapurchand and Kapurchand Singa for Rs 100,000 at the interest rate of 0.75 per cent per month. VOC 3576, *Memorie der debiteuren en crediteuren* [Report on debtors and creditors], 1779–80, ff. 332v–333r.

<sup>124</sup> VOC 3438, Resoluties, Surat, 26 April 1775, pp. 134–5.

<sup>125</sup> VOC 3594, *Directeur en Raad van Surat aan de Bewindhebbers te Amsterdam* [Director and Council of Surat to the Directors in Amsterdam], Surat, 16 June 1781, ff. 33r, 34r.

<sup>126</sup> VOC 3853, *Memorie der Debiteuren en crediteuren*, f. 170r. In 1790, the Company borrowed Rs 12,000 from Agha Ohannis Walladee Krikor at the interest rate of 0.75 per cent per month. VOC 3899, Resoluties, Surat, 14 Aug. 1790, ff. 212v–213r.

<sup>127</sup> FRS 72, Proceedings, Surat, 24 Dec. 1794, pp. 329–35.

<sup>128</sup> Ashin Das Gupta, 'The Broker in Mughal Surat, c. 1740', in idem, *The World of Indian Ocean Merchant: Collected Essays of Ashin Das Gupta*, comp. Uma Das Gupta (New Delhi, 2001); Sushil Chaudhury, *From Prosperity to Decline, Eighteenth Century Bengal* (New Delhi, 1999), 49–65.

<sup>129</sup> At least in Bengal this is quite evident. P. J. Marshall, 'Masters and Banias in Eighteenth-Century Calcutta', in Blair B. Kling and M. N. Pearson (eds.), *The Age of Partnership: Europeans in Asia before Dominion* (Honolulu, 1979); P. J. Marshall, *Trade and Conquest: Studies on the Rise of British Dominance in India* (Aldershot, 1993).

<sup>130</sup> In 1682–3, almost all merchants serving as brokers to the EIC were Hindu Banias: at Cambay (Haridas Shankardas and Shankardas Dharamdas), Ahmadabad (Goverdhan and Madan), Baroda (Gokul Sundar and Shyamdas Kasidas), Dholka (Dukran Ratan), Surat (Sangasa Nathji), Dabhoi (Kalyan), and Bardoli (Pragji). FRS 5, Proceedings, Surat, 1682–3, pp. 3–5, 20, 25, 31, 35, 53, 58. The Parsis, however, challenged the Bania dominance from the late seventeenth century. This is best illustrated by the prolonged dispute in Surat between the family of Rustam Manikji and the house of Bhimji Parekh. Gupta, 'Broker in Mughal Surat'; idem, 'The Merchants of Surat, c. 1700–1750', in idem, *World of Indian Ocean Merchant*, 323–7; Nadri, 'Maritime Merchants of Surat'.

<sup>131</sup> See the annual contracts for investments, Commercial Residency Diary Northward 539 (1763–1795), not foliated; Michelguglielmo Torri, 'Surat during the Second Half of the Eighteenth Century: What Kind of Social Order? A Rejoinder to Lakshmi Subramanian', *MAS* 21/4 (1987), 691–3.

<sup>132</sup> It is not known when exactly Kunwarji Kowasji was appointed. What we know is that his son Edulji held this position until 1772 and thereafter the latter's sons, Jamshedji, Kunwarji, Ratanji, and Dadabhai, jointly served as the Company's brokers and they were still serving in the early nineteenth century. SFD 20 (1772), Proceedings, Surat, 30 Jan. 1772, p. 54; Board's Collections 286, Extract Bombay Political Consultation, 29 July 1808, pp. 281–2.

<sup>133</sup> For the Parsis' attuning to the new circumstances in Surat and particularly at Bombay, see David L. White, 'Parsis in the Commercial World of Western India, 1700–1750', *IESHR* 24/2 (1987), 191–201.

<sup>134</sup> The brokers of the VOC at Kachh in the 1750s were the two Bania merchants, Khushhal Manji and Jawaharchand Rupchand, successively. VOC 2823, Resoluties, Surat, 10 Oct. 1752, pp. 178–9. Their broker at Broach in the 1750s and 1760s was a Bania, Goverdhandas Girdhardas. VOC 2765, Resoluties, Surat, 18 Feb. 1750, pp. 387–8. Later Bhagwandas, another Bania, served as broker in the 1780s. VOC 3728, Resoluties, Surat, 22 Dec. 1785, pp. 16–17. Their brokers at Ahmadabad and Agra in the early 1750s were Girdhardas Dosji and Purshottamdas and Beridas respectively. VOC 2823, Resoluties, Surat, 10 Oct. 1752, pp. 185–7. In the 1780s, Goverdhandas Bachubhai served as a broker of the VOC at Ahmadabad. VOC 3728, Resoluties, Surat, 4 March 1786, pp. 133–4.

<sup>135</sup> The under-brokers were agents who rendered their services to the chief brokers of Surat. Thus Mancherji Khurshedji and his co-broker Rudram Raidas and the latter's son Govindram Rudram had Bania merchants as their sub-brokers at Bhavanagar, Bombay, and other places. Manikchand Shankardas was posted at Broach to take care of the sale of goods sent from Surat by Govindram Rudram. VOC 3899, *Directeur en Raad van Surat aan GG&R*, 15 Dec. 1790, f. 78r; VOC 3899, Resoluties, Surat, 25 Feb. 1790, ff. 155v–

158r.

<sup>136</sup> This can be gauged from several instances in which the Dutch authorities attributed the deflationary tendencies and their inability to sell merchandise to the fact that merchants from different parts of Gujarat were unable to come to Surat for various reasons. HRB 848, *Memorie van Overgave*, C. L. Senff, pp. 14-15.

<sup>137</sup> In the 1770s, Tapidas Nagardas was one of the buyers who bought merchandise, including spices and candy sugar, from the Dutch brokers and, in turn, sold them to some other merchants. VOC 3354, *Resoluties*, Surat, 7 Aug. 1772, pp. 211-12. That he sold some goods to Shah Ratanji Gokul is evident from the latter's claim that 45 canisters of candy sugar had been mortgaged to him by Tapidas on account of an advance of Rs 8,490. Ibid. Although it was a false pretence, it nevertheless indicates the kind of network involved in the trajectory of trade. Around 1780, Nandram Bhatt and Kishandas Kishordas acted as intermediary merchants buying goods from the Dutch brokers and selling them to other merchants, without even bothering to collect goods from the Dutch warehouses. FRS 59, *Proceedings*, Surat, 18 July 1781, pp. 156-7; Home Misc. 175, *English Occupation of the Dutch Factory at Surat*, pp. 294-5. Ratanji Gokul also reportedly bought goods, especially spices, from these brokers around this time. Ibid.

<sup>138</sup> FRS 58, *Proceedings*, Surat, 25 April 1780, pp. 116-18; FRS 58, *Proceedings*, Surat, 27 April 1780, pp. 123-7.

<sup>139</sup> From an investigation into the accounts of the contractors of Dutch investments Behramji Sorabji and Harmuzji Ratanji, carried out by the English in 1781, it is evident that they made advances to the merchants of Surat, Navsari, Broach, Baroda, Dabhoi in order to ensure delivery of the contracted goods. FRS 58, *Proceedings*, Surat, 18 July 1781, pp. 182-3.

<sup>140</sup> VOC 3117, *Directeur en Raad van Surat aan GG&R*, 31 Dec. 1764, f. 149v.

<sup>141</sup> In 1763, he was involved in the negotiations between the Company and the Governor of Bassein. VOC 3094, *Directeur en Raad van Surat aan GG&R*, 30 April 1763, pp. 130-1.

<sup>142</sup> VOC 2863, *Resoluties*, Surat, 7 Sept. 1754, pp. 110-12. A total of Rs 206,000 was extorted from the merchants as follows: the English supplier, Rs 20,000; Jeweller Kapurchand, Rs 32,000; Bania merchants like Raghunathdas Jaikishandas, Rs 21,000; Bhagwandas Ramdas, Rs 11,000; Lala Lakshmidas, Rs 17,000; Jakkarshah, Rs 5,000; Bohra merchants like Bhajji, Rs 15,000; Ismail Thepias, Rs 7,000; two other Bohras under Dutch protection, Rs 31,000; two Sindhi merchants, Rs 7,000; and numerous others who lost collectively Rs 40,000 in amounts ranging from Rs 500 to 1,000.

<sup>143</sup> The antecedent circumstances, the formation of alliances and European participation in the power struggle at Surat have been extensively debated among scholars. See Subramanian, *Indigenous Capital*; idem, 'Capital and Crowd in a Declining Asian Port City: The Anglo-Bania Order and the Surat Riots of 1795,' *MAS* 19/2 (1985), 206-14; Torri, 'Surat during the Second Half of the Eighteenth Century', 681-8; idem, 'Mughal Nobles, Indian Merchants'.

<sup>144</sup> VOC 2842, *Directeur en Raad van Surat aan GG&R*, 16 Dec. 1753, p. 137; *Selections from the Records of the Bombay Government* (Bombay, 1893), 103. The Maratha fleet (the Angrias) preyed on Mughal and European shipping alike and at times virtually dominated the coast from Cochin to Kachh. J. H. Parry, *Trade and Dominion: European Overseas Empires in the Eighteenth Century* (London, 1971), 84-5. In 1750, a ship belonging to a Turkish merchant, richly laden with goods for Basra, was taken by the Bassein pirates. VOC 2765, *Directeur en Raad van Surat aan GG&R*, not dated, May 1750, pp. 105-6. In 1756, two small French vessels destined to Mokha and Jeddah were captured by them. VOC 2887, *Directeur en Raad van Surat aan GG&R*, 3 May, 1756, pp. 99-106. See Ghulam A. Nadri, 'The Dutch East India Company's Engagement with Piracy in Western India in the Eighteenth Century: Perceptions and the Construction of Social Identities', in Nigel Worden (ed.), *Contingent Lives: Social Identity and Material Culture in the VOC World* (Cape Town, 2007).

<sup>145</sup> VOC 2885, *Directeur en Raad van Surat aan GG&R*, 31 Dec. 1756, p. 6-8.

<sup>146</sup> VOC 2863, *Resoluties*, Surat, 18 Nov. 1754, pp. 176-7.

<sup>147</sup> VOC 2863, *Directeur en Raad van Surat aan GG&R*, 4 Jan. 1755, p. 42.

<sup>148</sup> Basra Factory Diary 194 (1764-65), Peter Elwin Wrench and Robert Garden at Basra to the Court of Directors of the Company trading to the East, London, 15 May 1765, p. 195.

<sup>149</sup> VOC 3354, Memorie van scheepen en vaartuijgen, 1772, ff. 84r-86v; VOC 3462, Memorie van scheepen en vaartuijgen, 1776 ff. 17r- 19v; VOC 3490, Memorie van scheepen en vaartuijgen, 1777, ff. 40r-41r.

<sup>150</sup> 'Hij wel uijtdukkelijk in anno 1748 bij request g'insereerd ter resolutie van den 17 Julij zig verbind en verzoekt dat hij met zijne heele famielie, huijsgenoten en bediendens, scheepen, goed, gelden in summa alles wat hem toebehoord, aangaat of van hem afhangt onder de protexie van de Edele Oost Indische Comp:e der vereenigde Nederlanden aangenomen / en hij bovendien met de prerogativen voorregten en beneficien van een particulier of vrijkoopman bevestigd werden mag voor welke gunste hij beloofd, niet alleen ten allen tijden dankbaar te zijn en de ordres van d' E Comp:e of die uijt haren name gegeven werden in allendeelen als een vrijkoopman te gehoorzamen, maar ook zig zijne perzoon, familie, bedientens, scheepen, goed, geld, en alles wat hem toebehoord of onder hem sorteerd aan de wetten en costumregten en regteren van de vereenigde Nederlanden volkomen te onderwerpen en zig van dit verband niet dan met voorkennisse of toestemming van de voormelt Edele Comp:e te ontslaan.' VOC 2967, Resoluties, Surat, 18 Sept. 1758 (not foliated).

<sup>151</sup> Holden Furber, *Private Fortunes and Company Profits in the India Trade in the 18th Century*, ed. Rosane Rocher (Aldershot, 1997), chapter 8.

<sup>152</sup> Ibid.

<sup>153</sup> In 1796, the total annual average value of merchandise imported and exported in the three preceding years between these ports amounted to Rs 2,685,177; the value of goods transacted by English and local merchants under the Company's protection was only Rs 462,909. FRS 75, Proceedings, Surat, 26 Dec. 1796, p. 1023.

<sup>154</sup> All the brokers of the VOC in the 1780s and 1790s—Lala Ramnarain Shivnarain, Tarachand Nagardas, and Premshankar Govindram—were rich Bania merchants. The former two were also prominent bankers and usually lent money to the Company.

<sup>155</sup> Furber, *Private Fortunes and Company Profits*.

<sup>156</sup> Parry, *Trade and Dominion*, 97, 212.

<sup>157</sup> I have preferred to use the term 'portfolio entrepreneur', instead of 'portfolio capitalist', in order to convey a better idea of the enterprise in which Mancherji, and merchants like him, were indulged. Nadri, 'Commercial World of Mancherji Khurshedji'. See also, Sanjay Subrahmanyam and C. A. Bayly, 'Portfolio Capitalists and the Political Economy of Early Modern India', *IESHR* 25/4 (1988); Subrahmanyam, 'Iranians Abroad: Intra-Asian Elite Migration'.

<sup>158</sup> For a brief account of political developments at Surat and Mancherji's political role, see Torri, 'Mughal Nobles, Indian Merchants'.

<sup>159</sup> VOC 2930, Directeur en Raad van Surat aan Heeren XVII [Director and the Council at Surat to Gentlemen XVII], 27 Nov. 1758, f. 13v. In a detailed report on extortion of such merchants, Mancherji's name is conspicuously absent. This may be attributed to his association with the political leadership at Surat. VOC 2863, Resoluties, Surat, 7 Sept. 1754, 110-13.

<sup>160</sup> Torri, 'Surat during the Second Half of the Eighteenth Century'.

<sup>161</sup> VOC 3354, Memorie van scheepen en vaartuijgen, 1772, ff. 84r-86v; VOC 3462, Memorie van scheepen en vaartuijgen, 1776 ff. 17r- 19v; VOC 3490, Memorie van scheepen en vaartuijgen, 1777, ff. 40r-41r.

<sup>162</sup> VOC 3408, Memorie van scheepen en vaartuijgen, 1774, ff. 310r-314r. Out of 1,900,000 silver species (consisting mainly of Spanish *rials*), brought to Surat from West Asia in that year, 1,400,000 came in Asian ships while pearls worth Rs 500,000 from Basra came exclusively on three ships belonging to Muslim merchants. Ibid.

<sup>163</sup> FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf freight), pp. 63-6.

<sup>164</sup> Ibid., p. 671.

<sup>165</sup> Ibid.

<sup>166</sup> Ibid., p. 660-2.

<sup>167</sup> SFD 17/1 (1763-65), Surat to Bombay, 28 Feb. 1764, pp. 208-10; FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf freight), pp. 666-7, 673-4.

<sup>168</sup> The remaining two-thirds were shared by the Nawab of Surat and the Marathas.

<sup>169</sup> FRS 68, Resolutions, Surat, 2 Aug. 1790, pp. 407-8.

<sup>170</sup> The Nawab of Surat, Tegh Beg Khan (1733-46) imposed 1 per cent of the value of all imports and exports in addition to the usual customs. SFD 16/I, (1761-63), Proceedings, Surat, 10 Aug. 1762, pp. 213-14.

<sup>171</sup> Subramanian, 'Capital and Crowd', 213; Torri, 'Surat during the Second Half of the Eighteenth Century', 688-90. The 'war tax' continued to be levied on merchants up to 1795.

<sup>172</sup> Customs duties at the *furza* remained differential as they had been: 1 per cent on all Mughal certificate goods, 2.5 on the Dutch, French, and Portuguese traders, 3.5 on Armenians, 3.5 and 4.5 on Muslims, and 4 and 5 per cent on Hindus. FRS 68, Proceedings, Surat, 2 Aug. 1790, p. 409.

<sup>173</sup> FRS 68, Proceedings, Surat, 5 July 1790, pp. 313-14.

<sup>174</sup> FRS 68, Proceedings, Surat, 2 Aug. 1790, pp. 408-10. The duty at the *furza* was lower than at the *latty* (see footnote 172 above).

<sup>175</sup> In 1778, they carried out a search into the vessels and boats lying at Swally, where a boat was found with goods intended to be smuggled. FRS 56, Proceedings, Surat, 23 Dec. 1778, pp. 228-9. The cargo of the boat consisted of 43 bundles containing 1,281 pieces of fine piece-goods, 5 bundles of silk, 1 bag with 23 *corgis* of country caps, and a chest containing 143 pieces of fine goods. Ibid.

<sup>176</sup> In 1763, a complaint was made simultaneously to the English authorities at Bombay and to the Court of Directors in London about the Surat chiefs' assuming an exclusive privilege of exporting merchandise to Red Sea ports and preventing other merchants' vessels from sailing there. SFD 17/I (1763-65), Surat to Bombay, 28 Feb. 1764, pp. 208-10. For a discussion of the monopoly and its effects on the shipowners of Surat, see FRS 75, Proceedings, Surat, 1 July 1796 (Minutes relative to Gulf Freight), pp. 660-2; Torri, 'In the Deep Blue Sea', 271-81. At the instance of the Governor-General and Council at Fort William, Calcutta, the governor of Bombay instructed Surat in its letter, dated 11 Nov. 1796, to abolish this system. FRS 75, Proceedings, Surat, 16 Nov. 1796, pp. 949-53.

<sup>177</sup> In 1790, the silk merchants of Surat submitted a petition to the English chief of Surat to reduce the duty on the import of silk from Bengal. Realising the loss of revenue, the authorities also recommended to the governor of Bombay the imposition of a 3 per cent duty on the import of raw silk and piece-goods. FRS 68, Proceedings, Surat, 5 July 1790, pp. 313-14. In 1795, some merchants trading with West Asia made a representation to the Nawab demanding a reduction of duty from 5.5 per cent to 2.5 per cent. FRS 73, Proceedings, Surat, 21 May 1795, pp. 236-47.

<sup>178</sup> Ashin Das Gupta, 'India and the Indian Ocean in the Eighteenth Century', in M. N. Pearson and Ashin Das Gupta (eds.), *India and the Indian Ocean, 1500-1800* (Calcutta, 1987), 141.

<sup>179</sup> The absence of a dominant state in Gujarat gave merchants considerable latitude to engage in politics and administration, and as recent studies have shown, they shared the sovereignty even during the heyday of the Mughal Empire. See Farhat Hasan, *State and Locality in Mughal India Power Relations in Western India, c. 1572-1730* (Cambridge, 2004).

<sup>180</sup> Many ships owned by Parsi merchants are mentioned in the shipping lists. In 1759, ships belonging to Dhanjishah Manjishah, Mancherji Khurshedji, Manik Dada and Mancherji Bahmanji are mentioned in the list. VOC 2967, *Memorie van scheepen en vaartuijgen*, 1759, pp. 195-200. This period witnessed the spectacular growth of Parsi shipping at Surat. See White, 'Parsis in the Commercial World of Western India'. Some Bania merchants also entered this field of activity and became shipowners. In the shipping lists of 1774, we find reference to the ships belonging to the Bania merchants Rupji Devji and Goverdhan Jiwan. VOC 3408, *Memorie van scheepen en vaartuijgen*, 1774, ff. 310r-314r.

### Notes to Chapter Four

<sup>1</sup> A phenomenon characterised as the 'fashion revolution' in Europe or a 'shift in the people's appetite from spices to clothes'. Om Prakash, *European Commercial Enterprise in Pre-Colonial India, 1500–1800* (Cambridge, 1998), 337, 349; Sushil Chaudhury, *The Prelude to Empire: Plassey Revolution of 1757* (New Delhi, 2000), 21–2; Els M. Jacobs, *Koopman in Azië: De handel van de Verenigde Oost-Indische Compagnie tijdens de 18de eeuw* (Zutphen, 1999), 296.

<sup>2</sup> Prakash, *European Commercial Enterprise*, 97–100.

<sup>3</sup> Om Prakash, 'Restrictive Trading Regimes: VOC and the Asian Spice Trade in the Seventeenth Century', in M. N. Pearson (ed.), *Spices in the Indian Ocean World* (Aldershot, 1996).

<sup>4</sup> Ibid. 330; Prakash, *European Commercial Enterprise*, 97–100, 184. The English, the French, and the Portuguese were by and large dependent on the supply of precious metals from Europe.

<sup>5</sup> This is evident from the statements of sale at Mandvi and Dandarajapuri. VOC 2937, Resolutions [Proceedings of the Dutch Council], Surat, 15 April 1758, pp. 82–3; Ghulam A. Nadri, 'Exploring the Gulf of Kachh: Regional Economy and Trade in the Eighteenth Century', *JESHO* 51/3 (2008).

<sup>6</sup> Though defunct for all practical purposes, the Ahmadabad factory was not officially abandoned. The building that housed the factory was rented out to a family of brokers and later to an Armenian merchant.

<sup>7</sup> HRB 836, Consideratie wegens de vrije vaart en handel [Considerations on permitted trade], Jan Schreuder, 1746, pp. 260–4; Prakash, *European Commercial Enterprise*, 301.

<sup>8</sup> Prakash, *European Commercial Enterprise*, 301–2.

<sup>9</sup> Ibid. 302.

<sup>10</sup> HRB 839, Memorie van Overgave, Jan Schreuder, pp. 166–7.

<sup>11</sup> Ibid. See Prakash, *European Commercial Enterprise*, 302.

<sup>12</sup> See Table 4.1 and Appendix 4.

<sup>13</sup> Whereas in the early decades pepper accounted for more than a fifth of the total value of imports, only five entries with small quantities could be found in the second half of the century (Appendix 6).

<sup>14</sup> For a detailed analysis of the relationship between the Company and its brokers in the second half of the eighteenth century, see Ghulam A. Nadri, 'The Commercial World of Mancherji Khurshedji and the Dutch East India Company: A Study of Mutual Relationship', *MAS* 41/2 (2007).

<sup>15</sup> VOC 3437, Directeur en Raad van Surat aan GG&R [Director and the Council at Surat to Governor-General and Council], 25 Dec. 1775, ff. 39v–40r.

<sup>16</sup> VOC 3117, Directeur en Raad van Surat aan GG&R, 31 Dec. 1764, ff. 154v–156r.

<sup>17</sup> HRB 844, Memorie van Overgave, Louis Tallefert, pp. 287–8; VOC 3328, Directeur en Raad van Surat aan GG&R, 22 Dec. 1771, 4v–5r. This was also due to the fact that many merchants, apprehending extortions, preferred to maintain a low profile and abstained from bidding for merchandise. They either advanced money to brokers or promised to buy from them once they struck a deal with the Company and concluded the contract.

<sup>18</sup> VOC 3354, Directeur en Raad van Surat aan GG&R, 21 Dec. 1772, f. 58r–v.

<sup>19</sup> Ibid., ff. 58v–59r.

<sup>20</sup> VOC 3268, Directeur en Raad van Surat aan GG&R, 15 Dec. 1769, ff. 7r–9r. The brokers Mancherji Khurshedji and Govindram Rudram were made to cede their investment in and profits from Khurshedji's ship, *Khuda Bakhs*, which had sailed to Batavia. Even the ship was surrendered to the Company (and renamed *Wilhelmina*) as part payment of the total amount due. Ibid., f. 13v.

<sup>21</sup> Both the brokers died during the interregnum of the early 1780s when the Dutch factory was taken over by the English from 1781 to 1783, during the Fourth Anglo–Dutch War.

<sup>22</sup> In 1769, they negotiated a loan of Rs 150,000 from Shah Kapurchand, Shah Khushhalchand, Shah Lalchand Khushhalchand, and Shah Lakshmichand Khushhal-

chand at an interest of 0.75 per cent per month. VOC 3269, Resoluties, Surat, 1 June 1769, p. 118.

<sup>23</sup> By the middle of the century, it was quite clear to the practitioners of commerce that the English were quick to realise that sustainable growth in trading enterprises could be ensured through political backing. Their military victories in Bengal (1757) and at Surat (1759) and the consequent acquisition of political power in the two most commercially vibrant regions gave them tremendous advantages in the pursuit of commerce. Holden Furber, *Rival Empires of Trade in the Orient, 1600–1800* (Minneapolis, 1976), 163; K. N. Chaudhuri, *The Trading World of Asia and the English East India Company, 1660–1760* (Cambridge, 1978); Prakash, *European Commercial Enterprise*, 269–71; Sushil Chaudhury, *From Prosperity to Decline, Eighteenth Century Bengal* (New Delhi: Manohar, 1999). The revenue resources accumulated in Bengal helped the EIC partially fund its commerce and military operations in western India. Prakash, *European Commercial Enterprise*, 273.

<sup>24</sup> Jos Gommans and Jitske Kuiper, 'The Surat Castle Revolutions: Myths of an Anglo-Bania Order and Dutch Neutrality, c. 1740–1760', *Journal of Early Modern History*, 10/4 (2006).

<sup>25</sup> VOC 2803, Directeur en Raad van Surat aan GG&R, 11 April 1752, p. 85. Spices and copper were the most profitable and least bulky. VOC 3092, Directeur en Raad van Surat aan GG&R, 30 April 1763, pp. 53–4.

<sup>26</sup> The European demand for fine spices was static or even declined in the eighteenth century, largely because of changing European attitudes towards spices which, on account of their wider availability at cheap prices, were no longer a symbol of wealth and luxury. Pearson (ed.), *Spices in the Indian Ocean World*, xxxiii. The shift in the European appetite from spices to textiles in the eighteenth century has even been invoked as a major factor behind the decline of the VOC. Jacobs, *Koopman in Azië*, 296.

<sup>27</sup> For a detailed analysis of the VOC's imports and sales of cloves in Gujarat, see Hans W. van Santen, 'De Verenigde Oost-Indische Compagnie in Gujarat en Hindustan, 1620–1660' (Rijksuniversiteit Leiden, Diss., 1982), 42–50, 217–19, Bijlage (Appendix) 2.

<sup>28</sup> Pieter van Dam, *Beschrijvinge van de Oost-Indische Compagnie*, Book 2, part III, ed. F. W. Stapel and C. W. Th. Van Boetzelaeler ('s-Gravenhage, 1939), 119; Prakash, *European Commercial Enterprise*, 189–92; idem, 'Restrictive Trading Regimes', 329–30. In 1750, for instance, Surat received about one-third of the total cloves supplied by Batavia to different parts of Asia. VOC 780, Generaale Resoluties des Casteels Batavia [General Proceedings of GG&C at Batavia], 12 June 1750, p. 265. C. R. Boxer has rightly remarked that Surat was for a long time the most important factory for the disposal of cloves. C. R. Boxer, *The Dutch Seaborne Empire, 1600–1800* (London, 1965), 223.

<sup>29</sup> Throughout this book, the pound as a unit of weight, unless qualified or indicated otherwise, refers to the Dutch *pond* which was equivalent to 1.09 English pounds avoirdupois.

<sup>30</sup> The seventeenth-century average has been calculated from the figures collected by Van Santen. Van Santen, 'De Verenigde Oost-Indische Compagnie', 217–18, Bijlage 2. The eighteenth-century average is based on figures in Appendix 5.

<sup>31</sup> Since there are gaps in our data on imports, the upward or downward trend shown by these averages is tentative and they are used here simply to indicate changes. The actual movement in five-yearly averages might change if more complete data come to light.

<sup>32</sup> The average annual import of cloves for this period is a little above 45,000 pounds.

<sup>33</sup> In 1788/9, the Company sold 61,861 pounds of cloves (Appendix 5).

<sup>34</sup> The average sale proceeds for the period between 1645 and 1698, as calculated on the basis of figures in Van Santen's 'Bijlage 2', comes to f 242,783 while the corresponding average for the eighteenth century is f 185,091. See Van Santen, 'De Verenigde Oost-Indische Compagnie', 217–19, Bijlage 2; Appendix 5.

<sup>35</sup> See the prices in Appendix 9. If compared with the seventeenth-century price quoted by Van Santen (Bijlage 2), the eighteenth-century prices of cloves, up to 1768, are much higher. The sale price quoted by Pieter van Dam, however, if converted into guilders, gives a higher price for the late seventeenth century. Van Dam, *Beschrijvinge*, Book 2, part III, 131.



<sup>36</sup> See prices in Appendix 9.

<sup>37</sup> Prakash, 'Restrictive Trading Regimes', 330-1.

<sup>38</sup> This dimension of the Mughal aristocracy's loss of resources in the early eighteenth century has been held to have caused a reduction in the demand for luxury food and dress items. However, revisionist scholars have argued that the regional centres of power in fact intensified the demand for such goods. C. A. Bayly, *Rulers, Townsmen and Bazaars, North Indian Society in the Age of British Expansion 1770-1870* (Cambridge, 1983); idem, *The Birth of the Modern World 1780-1914* (Oxford, 2004).

<sup>39</sup> Describing the Mughal imperial kitchen, Abul Fazl gives a list of dishes in many of which cloves were an important ingredient. See Abul Fazl, *Ain-i Akbari* [Institutes of Akbar], I, ed. H. Blochmann (Calcutta, 1872), *Ain-i masaleh* [Book of Recipes], 52-9. In 1788, it is specifically mentioned that cloves were used by Muslims as spices, and in betel quids by Banias and Marathas. VOC 3853, Directeur en Raad van Surat aan GG&R, 31 Dec. 1788, f. 30r-v.

<sup>40</sup> Prakash, 'Restrictive Trading Regimes', 331, 336.

<sup>41</sup> F. Pelsaert, *De geschriften van Francisco Pelsaert over Mughal Indië, 1627, Kroniek en Remonstrantie*, ed. D. H. A. Kolff and H. W. van Santen ('s-Gravenhage, 1979), 270; Van Santen, 'De Verenigde Oost-Indische Compagnie', 48.

<sup>42</sup> Van Santen, 'De Verenigde Oost-Indische Compagnie', 48.

<sup>43</sup> Ibid. 48-50.

<sup>44</sup> In 1763, at least 113 chests (boxes or bags of indeterminate weight) and 9,000 pounds of cloves, 20 chests of cinnamon, 5 chests of nutmeg and 1 chest and 600 pounds of mace were imported into Bombay (and eventually to Surat) from Kharg in the Persian Gulf, and the Malabar and Coromandel Coasts. VOC 3122, Translaet notitie van zodanige specerijen als er zeedert primo Augustus des voorleden jaars 1763 op het eijland Bombaij door de vreemde natien aangebragt zijn [Translation of the particulars of such spices as have been brought to the island of Bombay by the foreign nations from 1 August 1763], Surat, 14 July 1764, not foliated. On enquiry it was later found that these non-Dutch merchants purchased these from the Dutch in Persia and Malabar, except for 9,000 pounds of cloves bought at the Coromandel Coast, which appeared to be of a different variety from what the Dutch handled. VOC 3122, Directeur en Raad van Surat aan GG&R, 20 July 1764, p. 23; VOC 3238, Directeur en Raad van Surat aan GG&R, 25 Jan. 1768, f. 35r-v.

<sup>45</sup> Van Dam, *Beschrijvinge*, Book 2, part III, 117-27; Kristof Glamann, *Dutch-Asiatic Trade, 1620-1740* (Copenhagen, 1958), 103-8; Prakash, 'Restrictive Trading Regimes', 334-6.

<sup>46</sup> Prakash, 'Restrictive Trading Regimes', 331; idem, *The Dutch East India Company and the Economy of Bengal, 1630-1720* (Princeton, 1985), 94-5; Jacobs, *Koopman in Azië*, 77.

<sup>47</sup> Cf. Bayly, *Birth of the Modern World*, 55-7.

<sup>48</sup> HRB 850, Memorie van Overgave, A. J. Sluijsken, 1786, items 41-3.

<sup>49</sup> In 1786, Portuguese merchants brought cloves from Batavia in two ships. HRB 850, Memorie van Overgave, A. J. Sluijsken, 1786, items 41. Between November 1788 and March 1789, about 31,000 pounds of cloves were imported into Bombay in different ships. VOC 3854, Resoluties, Surat, 3 March 1789, p. 26. Subsequently, within a month a total of about 29,000 pounds of cloves were imported into Bombay and Surat. VOC 3854, Resoluties, Surat, 20 April 1789, p. 46. The English and other merchants who exchanged 150 pounds of saltpetre for 4 pounds of cloves at Cochin and sold them at Rs 2.75 per pound at Bombay had a big cost advantage and got 34 per cent more profit than the others. VOC 3899, Resoluties, Surat, 14 Aug. 1790, ff. 213v-214r.

<sup>50</sup> HRB 850, Memorie van Overgave, A. J. Sluijsken, 1786, items 41, 42.

<sup>51</sup> Ibid., item 43.

<sup>52</sup> For a detailed study of Dutch trade in pepper, see Glamann, *Dutch-Asiatic Trade*, 73-90; Prakash, 'Restrictive Trading Regimes', 319-20; Jacobs, *Koopman in Azië*, 58-9.

<sup>53</sup> The Company earned a gross profit of above 300 per cent in Europe in the late seventeenth century whereas in Surat it was, on average, 58 per cent until 1730. Glamann, *Dutch-Asiatic Trade*, 88. Subsequently, prices went up and the Dutch were able to sell pepper sometimes at more than 200 per cent net profit (see Appendix 6).

<sup>54</sup> Glamann, *Dutch-Asiatic Trade*.

<sup>55</sup> Jacobs, *Koopman in Azië*, 58-72.

<sup>56</sup> Ashin Das Gupta, 'India and the Indian Ocean in the Eighteenth Century', in idem and M. N. Pearson (eds.), *India and the Indian Ocean, 1500-1800* (Calcutta, 1987), 142.

<sup>57</sup> VOC 3554, *Memorie van scheepen en vaartuijgen* [Report on ships and vessels], Surat, 1772, ff. 84r-86v.

<sup>58</sup> Chaudhuri, *Trading World of Asia*, 206, 221.

<sup>59</sup> As Frank Perlin pointed out, base money (copper coins and cowries) played a crucial role in expanding the use of money and in increasing the scale and depth of the monetary economy in the Indian subcontinent. Frank Perlin, 'Money-use in Late Pre-Colonial South Asia and the World Trade in Currency Media', in idem, *The Invisible City: Monetary, Administrative and Popular Infrastructure in Asia and Europe, 1500-1900* (Aldershot, 1993), 129.

<sup>60</sup> Jacobs, *Koopman in Azië*, 119. In 1673 for instance, the Dutch imported 4,200 *man* (144,900 pounds) of Japanese copper into Surat. Chaudhuri, *Trading World of Asia*, 208.

<sup>61</sup> The Mughal monetary system was based on gold, silver and copper coins circulating simultaneously. In the early seventeenth century, silver rupees had replaced copper *dam* as the major unit of account and medium of transaction. Copper coins did not totally disappear from the economy, however, as they remained crucial for small-scale transactions. Irfan Habib, 'A System of Trimetallism in the Age of the "Price Revolution": Effects of the Silver Influx on the Mughal Monetary System', in J. F. Richards, *The Imperial Monetary System of Mughal India* (New Delhi, 1987).

<sup>62</sup> Jacobs, *Koopman in Azië*, 119.

<sup>63</sup> Ibid. 118-19, 293. Compared with the amount shipped to Bengal and Coromandel, the total imports of Japanese bar copper into Surat were less throughout the eighteenth century. Ibid., Table 42, 254.

<sup>64</sup> For a detailed overview of Dutch trade in Japanese copper in the seventeenth and early eighteenth centuries, see Kristof Glamann, 'The Dutch East India Company's Trade in Japanese Copper, 1614-1736', *The Scandinavian Economic History Review*, 1/1&2 (1953); idem, *Dutch-Asiatic Trade*, 167-82.

<sup>65</sup> Glamann, 'Dutch East India Company's Trade in Japanese Copper', 74-9; Furber, *Rival Empires of Trade*, 249-50. In a recent study, Ryuto Shimada has illuminated this neglected aspect of the copper trade and highlighted the significance of Chinese trade in Japanese copper and its consequences for the VOC's trade in South Asia. Ryuto Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden, 2006).

<sup>66</sup> VOC 3179, *Directeur en Raad van Surat aan GG&R*, 30 Dec. 1766, ff. 64v-65r. See Perlin, 'Money-Use in Late Pre-colonial South Asia', 138.

<sup>67</sup> In 1765, the Jewish merchant Ezechiel Abraham procured, among other goods, 6,000 pounds of bar copper for his correspondent at Bombay. VOC 3148, *Directeur en Raad van Surat aan GG&R*, 4 Nov. 1765, f. 313r.

<sup>68</sup> VOC 2967, *Memorie van scheepen en vaartuijgen*, Surat, 1759, pp. 195-200; VOC 3026, *Memorie van scheepen en vaartuijgen*, Surat, 1761, pp. 126-32.

<sup>69</sup> The cost price in Japan rose from about 33 guilders per 100 pounds in the last quarter of the seventeenth century to over 45 guilders in the first three or four decades of the eighteenth century. Glamann, 'Dutch East India Company's Trade in Japanese Copper', Table V, 68-9. See prices in Appendix 9.

<sup>70</sup> The Governor of Surat, Safdar Khan, attempted to buy copper on his own account and get it coined. In 1753, he even introduced an inferior coin of tin and spelter as a substitute for copper *paisa*, possibly to force the Company to sell copper to him at a reduced price. In the same year, Swedish merchants imported into Surat about 120,000 pounds of copper which the governor considered buying at a cheaper price. He even went so far as to prevent all other local merchants from buying copper from the Europeans. VOC 2842, *Directeur en Raad van Surat aan GG&R*, 16 Dec. 1753, pp. 132-3, 127-8.

<sup>71</sup> As in the late 1740s, Jan Schreuder had secured for the Company the privilege of minting coins (*paisa*) of its Japanese copper from Safdar Khan. VOC 2765, *Resoluties*, Surat, 18 Feb. 1750, pp. 411-13.



<sup>72</sup> In 1753, the Swedish merchants brought to Surat 120,000 pounds of copper. VOC 2842, Directeur en Raad van Surat aan GG&R, 16 Dec. 1753, pp. 127-8. In 1761, the English had 400,000 pounds of copper unsold at Bombay which was sent to Surat for sale. VOC 3065, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 167-8. The next year they supplied to Surat 100,000 pounds of copper which was brought from Europe. VOC 3065, Directeur en Raad van Surat aan GG&R, 27 April 1762, pp. 25-6; VOC 3094, Directeur en Raad van Surat aan GG&R, 12 Jan. 1763, pp. 57-8; VOC 3549, Directeur en Raad van Surat aan GG&R, 31 Dec. 1779, f. 58v; VOC 3727, Directeur en Raad van Surat aan GG&R, 5 Jan. 1787, f. 73r; VOC 3728, Resoluties, Surat, 2 Nov. 1786, pp. 441-3; VOC 3804, Directeur en Raad van Surat aan GG&R, 8 Jan. 1788, f. 58r-v.

<sup>73</sup> Shimada, *Intra-Asian Trade*, Appendix 7, 205-6.

<sup>74</sup> Furber, *Rival Empires of Trade*, 250-1.

<sup>75</sup> It was 140 per cent as against 175 in Malabar, 227 in Coromandel, 201 in Ceylon, and 170 per cent in Bengal. VOC 3462, Directeur en Raad van Surat aan GG&R, 25 Dec. 1776, f. 95r-v.

<sup>76</sup> VOC 3853, Directeur en Raad van Surat aan GG&R, 19 Dec. 1789, f. 93r-v.

<sup>77</sup> For 100 pounds of copper, the merchants under Dutch protection, who were also subject to an export duty of 4 per cent, paid about 15 guilders more than their English counterparts. VOC 3982, Directeur en Raad van Surat aan GG&R, 31 Dec. 1792, f. 178r-v.

<sup>78</sup> In 1787, they imported 700,000 pounds. VOC 3804, Resoluties at Surat, 10 Dec. 1787, f. 98r-v. In 1788, a great quantity of European copper was imported by the English and other ships. VOC 3854, Resoluties, Surat, 5 Nov. 1788, pp. 176-8. The English merchants were allowed to import copper from Europe free of freight and tolls, which obviously enabled them to sell at lower prices. VOC 3982, Directeur en Raad van Surat aan GG&R, 3 March 1792, f. 161r-v; VOC 3982, Directeur en Raad van Surat aan GG&R, 31 Jan. 1792, f. 143r.

<sup>79</sup> VOC 3982, Directeur en Raad van Surat aan GG&R, 31 Dec. 1792, ff. 178r-179r.

<sup>80</sup> VOC 3065, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 168-9. Similarly, in 1762 they proposed to sell about 700,000 pounds. VOC 3094, Directeur en Raad van Surat aan GG&R, Surat, 12 Jan. 1763, p. 60.

<sup>81</sup> In Bassein for instance, the Dutch Commissioner H. Kronenbergh saw the prospects of selling 600,000 pounds of Japanese copper in 1754/5. VOC 2863, Resoluties, Surat, 26 Oct. 1754, p. 168.

<sup>82</sup> VOC 2842, Resoluties, Surat, 31 Dec. 1753, pp. 777-8; VOC 3065, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 167-8; VOC 3122, Resoluties, Surat, 18 March 1762, pp. 72-3; VOC 3549, Resoluties, Surat, 17 Jan. 1779, f. 193v.

<sup>83</sup> Frank Perlin, 'Money-use in Late Pre-Colonial India and the International Trade in Currency Media', in Richards (ed.), *Imperial Monetary System*, 266, 268.

<sup>84</sup> Perlin, 'Money-use in Late Pre-Colonial India', 152-9, 176-7, 178-86.

<sup>85</sup> VOC 3063, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 93-4.

<sup>86</sup> Between 1750 and 1775, sugar registered the highest level of production in Batavia's *ommelanden*. Jacobs, *Koopman in Azië*, 195.

<sup>87</sup> Furber, *Rival Empires of Trade*, 247-8.

<sup>88</sup> HRB 846, Memorie wegens den suiker handel [Report on the sugar trade], Surat, 1766, item 29.

<sup>89</sup> Furber, *Rival Empires of Trade*, 247-8.

<sup>90</sup> For a detailed study of the policies and efforts of the VOC in this regard, see the report on the sugar trade prepared by C. L. Senff at Surat in 1766 in which he recommended ways to improve the Company's sugar trade. HRB 846, Memorie wegens den suiker handel, especially items 33-6, 37-40, 41. See Jacobs, *Koopman in Azië*, 189-96.

<sup>91</sup> HRB 846, Memorie wegens den suiker handel, item 34.

<sup>92</sup> VOC 3026, Directeur en Raad van Surat aan GG&R, 10 April 1761, p. 95; VOC 3117, Directeur en Raad van Surat aan GG&R, 9 April 1764, f. 39v; VOC 3238, Directeur en Raad van Surat aan GG&R, 15 Dec. 1767, ff. 26v-27r.

<sup>93</sup> VOC 3853, Directeur en Raad van Surat aan GG&R, 31 Dec. 1788, ff. 21r-22r;

VOC 3854, Resoluties, Surat, 24 Oct. 1788, pp. 144-6. At least 19,341 canisters of sugar were brought and sold at Bombay and Surat between Oct. 1777 and Sept. 1779. VOC 3549, Directeur en Raad van Surat aan GG&R, 31 Dec. 1779, f. 56r-v. In 1788-9, the English imported a large quantity of sugar from China and Bengal and tried to exchange it for cotton, which adversely affected Dutch sugar sales. VOC 3854, Resoluties, Surat, 5 Nov. 1788, pp. 176-8; VOC 3853, Directeur en Raad van Surat aan GG&R, 19 Dec. 1789, f. 93v.

<sup>94</sup> Ghulam A. Nadri, 'The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century', *International Journal of Maritime History*, 20/1 (2008).

<sup>95</sup> VOC 3026, Directeur en Raad van Surat aan GG&R, 10 April 1761, pp. 4-5; VOC 3063, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 22-3; VOC 3092, Directeur en Raad van Surat aan GG&R, 30 April 1763, pp. 14-16.

<sup>96</sup> The low prices of sugar and the resulting lower profits, quite frequent in the 1770s, were attributed to its large supply to Surat and Bombay by other Europeans. VOC 3462, Directeur en Raad van Surat aan GG&R, 30 April 1776, ff. 40r-41r.

<sup>97</sup> VOC 3354, Directeur en Raad van Surat aan GG&R, 19 April 1772, ff. 24r-25r.

<sup>98</sup> In 1758, the Dutch director at Surat, Louis Taillefert, received a gift of sweets from Kamaluddin, probably from the family of the Nawab of Surat, on the occasion of the circumcision of Kamaluddin's son. VOC 2967, Resoluties, Surat, Oct. 1758, not foliated.

<sup>99</sup> VOC 3728, Resoluties, Surat, 27 March 1786, 182-3.

<sup>100</sup> VOC 3238, Directeur en Raad van Surat aan GG&R, 15 Dec. 1767, ff. 26v-27r. The Hindu calendar does not exactly correspond with the Dutch financial year that ends on 31 August (*boekjaar*), and thus even a high sale of sugar in that year might not eliminate the possibility of such apprehensions at least in a part of the year.

<sup>101</sup> The intermediate and subaltern groups include people with modest means of livelihood such as salaried officials and servicemen as well as those who possessed higher managerial skills and rendered their services to the local governments, the European Companies or to private entrepreneurs in various capacities like brokers, suppliers, revenue farmers, assistants, customs officials, local scribes, and guards.

<sup>102</sup> These calculations are based on the five-yearly average export figures of the Company as presented in Prakash, *European Commercial Enterprise*, 185, Table 5.2.

<sup>103</sup> In 1637/8, the Dutch exports amounted to f 1,051,000 and they rose to f 1,437,700 in 1638/9. Van Santen, 'De Verenigde Oost Indische Compagnie', 29-34.

<sup>104</sup> Prakash, *European Commercial Enterprise*, 184-7.

<sup>105</sup> See Van Santen, 'De Verenigde Oost-Indische Compagnie', 32-3, Table 1; Prakash, *European Commercial Enterprise*, 192-3.

<sup>106</sup> Van Santen, 'De Verenigde Oost-Indische Compagnie', 32-3, Table 1.

<sup>107</sup> Prakash, *European Commercial Enterprise*, 184. In the 1670s and 1680s, funds in the form of silver rupees were remitted on a large scale, which pushed up the total value of exports from Gujarat during these years. Ibid. 185, Table 5.2.

<sup>108</sup> Soon after this, the Company's trade in this region substantially declined. See the trajectory of its sugar trade in Nadri, 'Dutch Intra-Asian Trade in Sugar'.

<sup>109</sup> Willem Floor, 'The Decline of the Dutch East India Company in Bandar Abbas (1747-1759)', *Moyen Orient & Océan Indien*, 6 (1989); Ben Slot, 'At the Backdoor of the Levant: Anglo-Dutch Competition in the Persian Gulf, 1623-1766', in Alastair Hamilton (ed.), *Friends and Rivals in the East: Studies in Anglo-Dutch Relations in the Levant from the Seventeenth to the Early Nineteenth Century* (Leiden, 2000), 128-31.

<sup>110</sup> Slot, 'At the Backdoor', 130-1.

<sup>111</sup> VOC 3179, Extracts of a letter from Narottamdas at Masqat to the Dutch broker Govindram Rudraram, 1 Jan. 1766, ff. 405r-406r; VOC 3179, Extracts of a letter from Nana Bhai and Basrurji to the Dutch broker Mancherji Khurshedji, 27 Feb. 1766, f. 413r-v; VOC 3207, Directeur en Raad van Surat aan GG&R, 30 Jan. 1767, f. 94r-v; Floor, 'Decline of the Dutch East India Company', 62-3, 70-2; Slot, 'At the Backdoor', 130-1.

<sup>112</sup> For details, see Alvin J. Cottrell et al. (eds.), *The Persian Gulf States: A General Survey* (Baltimore, 1980), 36-8.

<sup>113</sup> HRB 843, Beschrijvinge van Souratta [An account of Surat], D. van Rheeden, 1758, pp. 40-1.

<sup>114</sup> Ibid., pp. 92-3.

<sup>115</sup> The Dutch supplied a considerable part of textiles and other merchandise procured in Gujarat to West Asia. Around 1710, about one-sixth of the total Dutch exports from Surat went to Mokha alone. Jacobs, *Koopman in Azië*, 92. This was no more the case in the middle of the century as Mokha does not figure anywhere in the Company's correspondence as a major market for Gujarat's textiles.

<sup>116</sup> Jacobs, *Koopman in Azië*, 92-3.

<sup>117</sup> VOC 3026, Resoluties, Surat, 4 March 1760, pp. 30-3.

<sup>118</sup> The transmission of silver species from Gujarat grew so much so that in the early 1760s the English, apprehending an acute shortage of money in Surat, began, with the connivance of the local authorities, to contemplate measures to prevent the Dutch from transferring funds to other establishments in Asia. VOC 3065, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 170-4; VOC 3094, Directeur en Raad van Surat aan GG&R, 12 Jan. 1763, pp. 62-3. Such obstructions in the remittance of funds had a cumulative effect on the Company's activities elsewhere in Asia. In Bengal, for instance, when short of funds, the Dutch were unable to procure good quality silk and cotton textiles for Japan. Poor sales in Japan affected their ability to procure copper for Indian markets. The low demand for cotton textiles in Japan and losses on Bengal silks have been attributed to the declining power of the Dutch in India. Yoko Nagazumi, 'From Company to Individual Company Servants: Dutch Trade in Eighteenth-century Japan', in Leonard Blussé and Femme Gaastra (eds.), *On the Eighteenth Century as a Category of Asian History: Van Leur in Retrospect* (Aldershot, 1998), 156-7.

<sup>119</sup> The role of the Dutch brokers in the conclusion of contracts with the suppliers of export goods is not clear. Although the Company had others as suppliers, the brokers were nevertheless an important link between the two parties and they were also the signatories of the contracts. Apparently the brokers did not receive any fixed commission on the Company's procurement of exports. It seems, however, that they were remunerated for their role in negotiating the contracts, through a commission mutually agreed with the suppliers, which sometimes was as high as 3.75 per cent. HRB 836, Consideratie wegens de vrije vaart en handel, Jan Schreuder, 1750, item 252; HRB 843, Beschrijvinge van Souratta, D. van Rheeden, pp. 68-9. To eliminate such informal dealings between brokers and suppliers, the Company entitled the former to a 1 per cent commission on all purchases made with their help. HRB 843, Beschrijvinge van Souratta, D. van Rheeden, pp. 68-70. In their official contracts with the suppliers for the procurement of export goods, however, no reference is made to a broker's commission.

<sup>120</sup> This appears to be in sharp contrast to the practice in Bengal where the Company either entrusted this job to a number of merchants (*paikars/gumashtas*) severally contracting to supply goods to the Company, or by employing commission agents to invest a certain amount among weavers on behalf of the Company. The latter enjoyed a 2 per cent commission on the total value of transaction. Prakash, *Dutch East India Company*, 102-7.

<sup>121</sup> VOC 3207, Duplicaat Contract geslooten tusschen den ondergetekende Directeur en 's E. Comp:s makelaars en leveranciers [Duplicate of the contract concluded between the undersigned Director and the Company's brokers and suppliers], 19 Nov. 1767, ff. 50r-51v.

<sup>122</sup> The *gumashta* or *dadani* system was not universally practiced in the subcontinent as has been suggested in Jacobs, *Koopman in Azië*, 74-5.

<sup>123</sup> If there was any difficulty, the Company asked the brokers acting as witnesses to the contracts to negotiate on its behalf with the suppliers. As in 1758, Mancherji persuaded the suppliers to supply certain kinds of textiles that they were otherwise reluctant to deliver because of either their scarcity or their high price. VOC 2967, Directeur en Raad van Surat aan GG&R, 12 April 1759, p. 117.

<sup>124</sup> In the late 1780s and early 1790s, this escalated to such an extent that in the later decades of the century, the EIC had to impose a penalty on its contractors in cases of failure to supply.

<sup>125</sup> Prakash, *Dutch East India Company*, 108-10.

<sup>126</sup> In 1753, they procured 441 bales of cotton possibly for Batavia, 379 packs of textiles for Holland, and 404 bales of cotton for the Malabar trade. VOC 2842, Directeur

en Raad van Surat aan GG&R, 16 Dec. 1753, pp. 103-4. The commissioner at Mandvi was further asked by Surat to procure 1,000 bales of new cotton for China as the price there was low—Rs 80 or f 120 per *candy*, compared to Rs 120 or f 180 at Surat. *Ibid.*, p. 104.

<sup>127</sup> VOC 3063, Directeur en Raad van Surat aan GG&R, 27 April 1762, pp. 79-80; VOC 3092, Directeur en Raad van Surat aan GG&R, 30 April 1763, p. 28.

<sup>128</sup> VOC 3122, Copia Resolutie pro Patria [Copy of the Proceedings in Amsterdam], anno 1762, p. 23.

<sup>129</sup> *Ibid.*

<sup>130</sup> VOC 2863, Resoluties, Surat, 21 June 1754, pp. 84-6.

<sup>131</sup> SFD 18/II (1765-67), Surat to Bombay, 18 Nov. 1766, pp. 206-7.

<sup>132</sup> VOC 3026, Resoluties, Surat, 18 March 1760, pp. 62-3; VOC 3094, Directeur en Raad van Surat aan GG&R, 12 Jan. 1763, p. 68; VOC 3122, Directeur en Raad van Surat aan GG&R, 31 Jan. 1764, pp. 21-3; VOC 3179, Directeur en Raad van Surat aan GG&R, 10 April 1766, f. 300r-v.

<sup>133</sup> The Dutch particularly suffered from this as the transportation of goods from Broach, Baroda, and Ahmadabad to Surat was hindered in 1772. VOC 3354, Resoluties, Surat, 3 Feb. 1772, pp. 34-5; VOC 3899, Resoluties, Surat, 2 Nov. 1790, ff. 247v-248v.

<sup>134</sup> With much difficulty the Dutch could persuade their suppliers to supply textiles manufactured at Broach, Baroda, and their surroundings, at prices 18 per cent higher than that of the year before; those at Surat were 15 per cent higher. The suppliers' demand was based on the apprehension of rising prices as the workmen were driven out of their villages and trade stopped completely due to the war. VOC 3438, Resoluties, Surat, 14 Aug. 1775, pp. 229-31.

<sup>135</sup> VOC 3728, Resoluties, Surat, 16 March 1786, pp. 139-47.

<sup>136</sup> No Europeans apart from the English were allowed to unload goods in their territory except at the cost of confiscation. VOC 3670, Directeur en Raad van Surat aan GG&R, 16 Jan. 1785, ff. 54v-55r.

<sup>137</sup> VOC 3728, Resoluties, Surat, 22 Dec. 1785, pp. 16-17; VOC 3899, A. J. Sluijsken to the English Chief, John Griffith, Surat, 20 Nov. 1790, ff. 100r-101r.

<sup>138</sup> The English private merchants at Bombay offered money on bottomry at very low rates to merchants exporting cotton and other goods to China, where the sale proceeds were given to Danish, Swedish and many other European merchants against bills (*assignatie*) drawn on Europe. VOC 3804, Directeur en Raad van Surat aan GG&R, 8 Jan. 1788, f. 42r-v; VOC 3853, Directeur en Raad van Surat aan GG&R, 31 Dec. 1788, ff. 21r-22r. The latter needed money to buy Chinese tea and other products for the European markets.

<sup>139</sup> In 1789, the total production of cotton in Gujarat was estimated to be about 43,000 *candies*, or 86,000 bales, of which 34,000 *candies* (68,000 bales) were exported. BCP 49, Proceedings, Bombay, 11 Sept. 1789 (Report on cotton by John Griffith, Surat, 22 Aug. 1789), pp. 247-9.

<sup>140</sup> BCP 47, Bombay to Surat, 11 May 1789, pp. 65-8.

<sup>141</sup> VOC 3853, Directeur en Raad van Surat aan GG&R, 19 Dec. 1789, ff. 67v-68v.

<sup>142</sup> George D. Winus and Markus P. M. Vink, *The Merchant-Warrior Pacified: The VOC and its Changing Political Economy in India* (New Delhi, 1991), 87.

<sup>143</sup> This is evident from the low gross profits from Coromandel and Bengal in the post-war years. Winus and Vink, *Merchant-Warrior Pacified* (Appendix: Tables 4 and 5), 180, 183-4.

### Notes to Chapter Five

<sup>1</sup> Growth or decline is a relative term which has been used here to delineate changes in economic processes in Gujarat in the eighteenth century. As these terms are usually expressed with reference to different time periods, different places or different agencies, in this book I have used them to compare the features of Gujarat's political economy in the second half of the eighteenth century with those of the seventeenth and early eighteenth

centuries as well as with Bengal and south-eastern India in the late eighteenth century.

<sup>2</sup> For indigo cultivation and processing in Gujarat, see Ghulam A. Nadri, 'Indigo Industry and Trade in Gujarat in the Seventeenth Century' (M. Phil. Diss., Aligarh Muslim University, 1996).

<sup>3</sup> Dr. Hove noticed black and light sandy soil in many villages of Broach where cotton was grown. He mentions that the black soil was suitable for yellow cotton and sandy soil for red cotton. Home Misc. 374, Extracts from Dr. Hove's Journal, 1787, p. 611.

<sup>4</sup> Ashin Das Gupta, *Indian Merchants and the Decline of Surat c. 1700–1750* (Wiesbaden, 1979); Irfan Habib, 'Non-Agricultural Production: Mughal India', in Irfan Habib and Tapan Raychaudhuri (eds.), *Cambridge Economic History of India*, I (Cambridge, 1982), 268.

<sup>5</sup> Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630–1720* (Princeton, 1985), 234–48; idem, 'Bullion for Goods: International Trade and the Economy of Early Eighteenth Century Bengal', *IESHR* 13/2 (1976); idem, 'On Estimating the Employment Implications of European Trade for the Eighteenth Century Bengal Textiles Industry: A Reply', *MAS* 27/2 (1993), 342–7.

<sup>6</sup> Joseph J. Brenning, 'Silver in Seventeenth-century Surat: Monetary Circulation and the Price Revolution in Mughal India', in J. F. Richards (ed.), *Precious Metals in the Later Medieval and Early Modern Worlds* (Durham, 1983); Irfan Habib, 'A System of Trimetallism in the Age of the "Price Revolution": Effects of the Silver Influx on the Mughal Monetary System', in J. F. Richards (ed.), *The Imperial Monetary System of Mughal India* (New Delhi, 1987). Om Prakash, 'Foreign Merchants and Indian Mints in the Seventeenth and Early Eighteenth Century', in J. F. Richards (ed.), *Imperial Monetary System*; Najaf Haider, 'Precious Metal Flows and Currency Circulation in the Mughal Empire', *JESHO* 39/3 (1996); M. N. Pearson, 'Asia and World Precious Metal Flows in the Early Modern Period', in idem, *The World of the Indian Ocean, 1500–1800: Studies in Economic, Social and Cultural History* (Aldershot, 2005), 41–6.

<sup>7</sup> Irfan Habib, 'Banking in Mughal India', *Contributions to Indian Economic History*, 1 (Calcutta, 1960); Om Prakash, 'Sarrafis, Financial Intermediation and Credit Network in Mughal India', in H. G. van Cauwenbergh, (ed.), *Money, Coins and Commerce: Essays in the Monetary History of Asia and Europe from Antiquity to Modern Times* (Belgium, 1991); idem, 'Foreign Merchants and Indian Mints'.

<sup>8</sup> I'timad Ali Khan, *Mirat-ul Haqaiq* [Mirror of Realities] (c. 1726), Bodleian Library, Oxford, ff. 330b, 334b, 346a, 348b, 349a–b, 353a, 355b, 422a–b, 439a, 443b; Ali Mohammad Khan, *Mirat-i Ahmadi*, II, ed. Syed Nawab Ali (Baroda, 1928) 89–91, 136, 194, 477, 485.

<sup>9</sup> *Mirat-i Ahmadi*, II, 91.

<sup>10</sup> Ibid. 154–5, 168–9, 176; Ghulam A. Nadri, 'Merchants in Late Mughal Gujarat: Evidence from Two Major Persian Sources', *PIHC* (Aligarh, 1998), 382–4.

<sup>11</sup> HRB 838, *Memorie van Overgave*, Jan Schreuder, Surat, 1750, pp. 23–32. It should be noted that most merchants mentioned in the list possessed a capital of more than Rs 10,000. The capital is not defined, nor do we know how the list was prepared or whether this was limited to the capital invested in merchandise or if it included the value of merchants' property like ships, stored goods and houses as well.

<sup>12</sup> Formerly, some individual Surat merchants possessed capital almost equal to the total amount of capital available at Surat in the mid-eighteenth century. In the seventeenth century, Virji Vora had capital of over 8 million rupees. *EFI* 1661–64, 308; *Indian Travels of Thevenot and Careri*, ed. Surendranath Sen (New Delhi, 1949), 22. In the early eighteenth century, Abdul Ghafur possessed capital of about 8.5 million rupees. *Mirat-i Ahmadi*, II, 4–5.

<sup>13</sup> 'In the second quarter of the eighteenth century, Surat became a substantial industrial centre because of the influx of skilled workmen and artisans from Ahmadabad'. K. N. Chaudhuri, 'Some Reflections on the Town and Country in Mughal India', *MAS* 12/1 (1978), 92.

<sup>14</sup> *Mirat-i Ahmadi*, II, 240, 462.

<sup>15</sup> VOC 2863, Resolutions [Proceedings of the Dutch Council], Surat, 7 Sept. 1754, pp. 114–15. The Dutch venture was, however, not very successful this time; soon the



Ahmadabad factory ceased to fulfil the intended purposes and was practically given up.

<sup>16</sup> Ibid.

<sup>17</sup> In 1725, the Marathas plundered the city of Cambay, collected about Rs 100,000 and burnt numerous villages in its vicinity. *Mirat-ul Haqaiq*, ff. 329b, 331b, 335a-b.

<sup>18</sup> In 1754, for instance, the Company procured through brokers 4,800 pieces of textiles from Cambay. VOC 2863, Resoluties, Surat, 21 June 1754, pp. 84-6.

<sup>19</sup> VOC 2786, Directeur en Raad van Surat aan GG&R [Director and the Council at Surat to Governor-General and Council], 30 April 1751, p. 1012.

<sup>20</sup> In 1751, the Dutch bought it at the price of Rs 146 and 150 for the first sort and the second sort at Rs 130 and 140 the *man* of Surat. The high price was attributed to the English who having a factory at Cambay could, to a large extent, monopolise its supplies. Ibid.

<sup>21</sup> VOC 2863, Resoluties, Surat, 21 June 1754, p. 86; VOC 2865, Directeur en Raad van Surat aan GG&R, 4 Jan. 1755, pp. 64-5.

<sup>22</sup> Indigo is listed among the articles imported at different ports of the Persian Gulf and the Red Sea in the eighteenth century. BCP 51, Report on the Commerce of Persia and Arabia, Bombay, 25 Feb. 1791, pp. 77-148. Since Gujarat was a major producer of indigo, it may be construed that a quantity of this commodity was supplied to these ports by Asian and European merchants.

<sup>23</sup> SFD 15/I (1759-61), Proceedings, Surat, 27 Jan. 1760, p. 34.

<sup>24</sup> SFD 16/II (1761-63), Cambay to Surat, 21 April 1763, pp. 485-6; *ibid.*, 4 May 1763, pp. 495-6.

<sup>25</sup> In 1789, the English resident at Cambay was advised to obtain the best indigo seeds and the knowledge of cultivation and processing to be experimented elsewhere. BCP 49, Bombay to London, 1 Jan. 1789, p. 40. In 1793, the resident was again asked to procure as much indigo seeds as available at Jambusar, Petlad, or in the vicinity of Cambay. FRS 71, Surat to Cambay, 17 May 1793, p. 134. Consequently, Surat dispatched 428 *man* (each of 37.6 pounds avoirdupois) indigo seeds, which was the remainder, to Madras. FRS 71, Surat to Bombay, 23 Aug. 1793, p. 201. In 1797, the Bombay Presidency was advised by the Court of Directors in London to encourage its cultivation on the island of Salset. EIC Draft Dispatches, 57, Draft Paragraph proposed by the Court of Directors to be sent to their Presidency of Bombay, London, 18 Feb. 1797, letter no. 21, not foliated.

<sup>26</sup> FRS 73, Proceedings, Surat, 14 March 1795, pp. 118-21; BCP 55, Surat to Bombay, 25 March 1795, pp. 200-3; BCP 55, Surat to Bombay, 23 June 1795, pp. 461, 464.

<sup>27</sup> FRS 77, Cambay to Surat, 19 Jan. 1798, pp. 41-5.

<sup>28</sup> BCP 55, Surat to Bombay, 23 June 1795, pp. 464-5; FRS 77, Cambay to Surat, 19 Jan. 1798, pp. 41-5.

<sup>29</sup> FRS 77, Cambay to Surat, 19 Jan. 1798, pp. 41-5.

<sup>30</sup> Board's Collections 285, No. 6489, Extract Bombay Political Consultations, 19 Dec. 1806, p. 135.

<sup>31</sup> Alexander Hamilton noted that the country around the city of Broach produced the best cotton in the world. Alexander Hamilton, *A New Account of the East Indies: Being the Observations and Remarks of Capt. Alexander Hamilton from the Year 1688-1723*, I (New Delhi, 1995), 144.

<sup>32</sup> BCP 49, Proceedings, Bombay, 11 Sept. 1789 (Report on cotton by John Griffith, Surat, 22 Aug. 1789), pp. 247-50.

<sup>33</sup> BCP 61, Proceedings, Bombay, 25 May 1798 (Surat to Broach, 30 April 1798 and Broach to Surat, 4 May 1798), pp. 428-31.

<sup>34</sup> Dilbagh Singh and Ashok B. Rajshirke, 'The Merchants Communities in Surat: Trade, Trade Practices and Institutions in the Late Eighteenth Century', in Indu Banga (ed.), *Ports and their Hinterlands in India (1700-1950)* (New Delhi, 1992), 186-7.

<sup>35</sup> FRS 77, Broach to Surat, 20 Jan. 1798, pp. 55-8.

<sup>36</sup> Sujan Rai Bhandari, *Khulasat-ut Tawarikh*, ed. Zafar Hasan (Delhi, 1918), 58.

<sup>37</sup> Hamilton, *New Account of the East Indies*, I, 130.

<sup>38</sup> I have discussed in detail the economic potential of the Gulf of Kachh in my paper 'Exploring the Gulf of Kachh: Regional Economy and Trade in the Eighteenth Century', *JESHO* 51/3 (2008).

<sup>39</sup> The great famine of 1630–1 was perhaps the worst ever natural calamity to befall Gujarat. *Mirat-i Ahmadi*, I, 205–6. Surat was sacked twice (in 1666 and 1670) by the Marathas under Shivaji when it lost an enormous amount of its mercantile wealth, but soon after it recovered completely.

<sup>40</sup> This is evident from the fact that Damaji Gaikwar instructed his soldiers in 1752 not to exact anything illegally from anyone. *Mirat-i Ahmadi*, II, 220–1.

<sup>41</sup> Frank Perlin, *Unbroken Landscape: Commodity, Category, Sign and Identity; Their Production as Myth and Knowledge from 1500* (Aldershot, 1994); Stewart Gordon, 'Burhanpur: Entrepot and Hinterland, 1650–1750', *IESHR* 25/4 (1988), 435–42.

<sup>42</sup> As happened in 1752–3 when rains failed and cotton crops shrivelled in the fields, which led to a sharp fall in the total productivity of the region. Thus, whereas Surat and Broach normally produced about 15,000 to 16,000 bales of cotton, in 1752 the total production was expected to be about 4,500 bales. VOC 2786, Directeur en Raad van Surat aan GG&R, 30 April 1751, pp. 1025–6.

<sup>43</sup> The average annual value of the Company's exports, overwhelmingly consisting of textiles, was f886,322 between 1746/7 and 1760/1 (Appendix 11).

<sup>44</sup> Already by the late seventeenth century, Europe had begun to receive large consignments of indigo and sugar from its trans-Atlantic sources. Kristof Glamann, *Dutch-Asiatic Trade, 1620–1740* (Copenhagen, 1958), 152–66; Holden Furber, *Rival Empires of Trade in the Orient, 1600–1800* (Minneapolis, 1976), 247–8, 259–60; Om Prakash, *European Commercial Enterprise in Pre-Colonial India, 1500–1800* (Cambridge, 1998), 192–3.

<sup>45</sup> D. C. Aylwin, *A Letter on Cotton Cultivation in India as Affected by the East India Company's Salt Monopoly* (London, 1847).

<sup>46</sup> The 1740s are usually taken as the end of the phase of Dutch domination and the beginning of English preponderance in Asian maritime trade. Glamann, *Dutch Asiatic Trade*; Prakash, *European Commercial Enterprise*.

<sup>47</sup> Prakash, *European Commercial Enterprise*, 118–20.

<sup>48</sup> HRB 850, *Memorie van Overgave*, A. J. Sluijsken, Surat, 1786, Lettra (Appendix) E. As per Prakash's calculations, the average annual value between 1746/7 and 1760/1 was substantially higher than most of the five-yearly moving averages, except for the period during the years 1637–41, 1642–6 and 1697–1701. Prakash, *European Commercial Enterprise*, 185, Table 5.2.

<sup>49</sup> See Appendix 10; cf. Prakash, *European Commercial Enterprise*, 185, Table 5.2.

<sup>50</sup> Prakash, *European Commercial Enterprise*, 120–1 (Tables 4.2 and 4.3).

<sup>51</sup> In 1777, Bengal remitted Rs 350,126 to Surat through bills of exchange drawn on different *sarnafs* of Surat. FRS 55, Proceedings, Surat, 4 Sept. 1777, p. 162. In 1778, Rs 320,601 were remitted. FRS 56, Proceedings, Surat, 28 March 1778, p. 33. In 1780, the remittance from Bengal amounted to Rs 200,000. FRS 58, Proceedings, Surat, 13 June 1780, p. 159. In 1781, it amounted to Rs 700,000. FRS 59, Proceedings, Surat, 13 July 1781, p. 145. In 1782, it amounted to Rs 634,525 and Rs 1,500,001. FRS 60, Proceedings, Surat, 24 Sept. 1782, pp. 147–8; FRS 60, Proceedings, Surat, 24 Nov. 1782, pp. 179–80. In 1785, Bombay received bills of exchange for Rs 500,000 from Bengal. FRS 64, Bombay to Surat, 21 Feb. 1786, pp. 74–5. In 1786, Bengal remitted 301,000 Bombay rupees and Rs 800,000 to Surat. FRS 64, Fort William at Calcutta to Surat, 11 July 1786, p. 340; FRS 64, Proceedings, Surat, 5 Oct. 1786, p. 362. In 1787, bills of exchange were drawn on Bengal for 200,000 Bombay rupees. FRS 65, Fort William at Calcutta to Surat, 6 Jan. 1787, p. 43.

<sup>52</sup> VOC 2842, Directeur en Raad van Surat aan GG&R, 11 May 1754, p. 929; VOC 2844, Directeur en Raad van Surat aan GG&R, 15 Sept. 1753, pp. 44–5; VOC 3063, Directeur en Raad van Surat aan GG&R, 27 April 1762, pp. 79–81. In fact, the high prices of textiles in 1756 was attributed, among other things, to a large European investment in that commodity. VOC 2937, Directeur en Raad van Surat aan GG&R, 15 April 1758, pp. 58–9.

<sup>53</sup> BCP 49, Proceedings, Bombay, 9 June 1789, pp. 154–6; Amalendu Guha, 'Raw Cotton of Western India: Output, Transportation and Marketing, 1750–1850', *IESHR* 9/1 (1972), 2.

<sup>54</sup> This is evident from the fact that in 1789, the London authorities expressed serious concern over the Company's inability at Bombay and Surat to take advantage of the booming trade with China by exporting cotton on its own account instead of allowing its servants and others under its protection or trading under its licences to reap all benefits. BCP 49, Proceedings, Bombay, 26 Oct. 1789, pp. 289-90; BCP 49, Proceedings, Bombay, 20 Nov. 1789, pp. 321-2.

<sup>55</sup> FRS 49, Proceedings, Surat, 5 Nov. 1769, pp. 95-6.

<sup>56</sup> Ibid. 97-8.

<sup>57</sup> Pamela Nightingale, *Trade and Empire in Western India, 1784-1806* (Cambridge, 1970), 23. In Bengal, too, which in the late years of the eighteenth century supplied cotton on a large scale, country traders had acquired an overwhelmingly large share of the export of cotton to China and other places. According to an estimate of exports from Bengal in 1788, out of a total of 90,000 bales of cotton exported to Madras and China, about 75,000 bales were on private accounts. BCP 49, Proceedings, Bombay, 20 Nov. 1789, p. 322.

<sup>58</sup> BCP 47, Proceedings, Bombay, 11 May 1789, pp. 65-8.

<sup>59</sup> BCP 49, Proceedings, Bombay, 28 April 1789 (Fort William, Calcutta to Bombay, 20 March 1789), pp. 113-14.

<sup>60</sup> Walter R. Cassels, *Cotton: An Account of its Culture in the Bombay Presidency, Prepared from Government Records and Other Authentic Sources in Accordance with a Resolution of the Government of India* (Bombay, 1862), 7.

<sup>61</sup> Ibid. 7.

<sup>62</sup> The report of Charles W. Mallet, the English Resident at Poona, on the state of commercial interaction between the Maratha country and the Company's possessions, suggests that the demand for Gujarat cotton in Bengal greatly decreased on account of its increased cultivation at home. BCP 49, Proceedings, Bombay, 9 June 1789, p. 154. In the second half of the eighteenth century, Bengal received cotton supplies from the Deccan. Guha, 'Raw Cotton of Western India', 2.

<sup>63</sup> Cassels, *Cotton: An Account*, 7.

<sup>64</sup> In 1775/6 and 1776/7, this amounted to Rs 270,180 and Rs 90,555. Commercial Residency Northward Diary 539 (1763-95), not foliated.

<sup>65</sup> The failure was attributed to the scarcity and exorbitant price of cotton on account of a large demand, to the famine of 1790-1 and consequent mortality among textile manufacturers, and to the enticement of the Company's weavers by other European buyers who paid a better price for their textiles than the English. FRS 68, Proceedings, Surat, 14 April 1790, pp. 216-19; FRS 69, Proceedings, Surat, 14 Oct. 1791, pp. 237-40; BCP 51, Proceedings, Bombay, 25 Oct. 1791, pp. 287-9.

<sup>66</sup> Bahmanji, however, fell short of textiles to keep up the contract on account of tensions between the Muslims and the Banias. BCP 56, Proceedings, Bombay, 22 Dec. 1795, pp. 1032-3; BCP 61, Proceedings, Bombay, 1 May 1798, pp. 405-8. See the reply of Bahmanji Mancherji to the chief and the council at Surat tendering an explanation for his failure to comply with the terms of the contract. Commercial Residency Northward Diary 539 (1763-95), not foliated. For a detailed analysis of the riots of 1795, see Lakshmi Subramanian, 'Capital and Crowd in a Declining Asian Port City: The Anglo-Bania Order and the Surat Riots of 1795,' *MAS* 19/2 (1985). In 1788, there was already a severe tumult arising out of a dispute between the Muslims and the Parsis. Lakshmi Subramanian, 'The Eighteenth-Century Social Order in Surat: A Reply and an Excursus on the Riots of 1788 and 1795,' *MAS* 25/2 (1991).

<sup>67</sup> EIC Draft Dispatches, 57, Draft Paragraph proposed by the Court of Directors to be sent to their Presidency of Bombay, London, 21 April 1795, pp. 186-7. See also BCP 56, Proceedings, Bombay, 25 Sept. 1795 (Surat to Bombay, 15 Sept. 1795), pp. 713-14.

<sup>68</sup> EIC Draft Dispatches 57, Draft Paragraph proposed by the Court of Directors to be sent to their Presidency of Bombay, London, 24 Jan. 1797, letter no. 16, not foliated.

<sup>69</sup> In 1786, they bought textiles worth Rs 300,000 for Lisbon. VOC 3696, Directeur en Raad van Surat aan GG&R, 9 June 1786, f. 10b. The Dutch were alarmed at the English and Portuguese purchases which were so high in 1785/6 that they pushed up the price by 20 per cent. Ibid.; VOC 3697, Resoluties, Surat, 9 May 1785, pp. 98-104.



<sup>70</sup> Letters Received 49, Surat to Bombay, 10 Oct. 1783, pp. 221-2; FRS 68, Proceedings, Surat, 14 April 1790, pp. 216-19; BCP 54, Proceedings, Bombay, 18 March 1794, p. 121; BCP 61, Proceedings, Bombay, 1 May 1798, p. 406.

<sup>71</sup> FRS 68, Proceedings, Surat, 14 April 1790, pp. 216-19; FRS 72, Proceedings, Surat, 24 Dec. 1794, p. 323; FRS 80, Proceedings, Surat, 10 Jan. 1800, pp. 11-15. The Portuguese exported piece-goods from Surat to the amount of Rs 547,198 between 11 Dec. 1799 and 16 Jan. 1800. FRS 80, Proceedings, Surat, 31 Jan. 1800, pp. 75-81.

<sup>72</sup> FRS 80, Proceedings, Surat, 31 Jan. 1800, pp. 75-88.

<sup>73</sup> FRS 70, Proceedings, Surat, 15 April 1792, pp. 149-50.

<sup>74</sup> In 1768, the cargo of the ships returning from Mokha, Jeddah and Basra consisted of 2,350,000 gold and silver rupees apart from some other goods. VOC 3238, *Memorie van scheepen en vaartuijgen* [Report on ships and vessels], 1768, ff. 9r-15r. In 1769, it consisted of 3,200,000 gold and silver rupees. VOC 3268, *Memorie van scheepen en vaartuijgen*, 1769, ff. 37r-41v.

<sup>75</sup> BCP 51, Proceedings, Bombay, 25 Feb. 1791 (Report on the Commerce of Persia and Arabia, Samuel Manesty and Harford Jones, Basra, 15 Aug. 1790), pp. 77-148.

<sup>76</sup> *Ibid.*

<sup>77</sup> *Mirat-i Ahmadi*, I, 14. Alexander Hamilton mentions *khicheri*, a mixture of *dal* (lentil) and rice, as the common food of the region. Hamilton, *New Account of the East Indies*, I, 161. Stavorinus notes that *nilly* or *juari* 'serves here almost universally for the food of the natives'. J. S. Stavorinus, *Voyages to the East Indies the Whole Comprising a Full and Accurate Account of all the Present and Late Possessions of the Dutch in India, and at the Cape Good Hope*, tr. H. Wilcocke, II (London, 1798), 455 (385).

<sup>78</sup> *Mirat-i Ahmadi*, I, 178; Stavorinus, *Voyages to the East Indies*, II, 455 (385).

<sup>79</sup> Wheat grown in Sorath was of a high quality. *Mirat-i Ahmadi*, I, 14. Its production is reported in different *parganas* of Surat. FRS 59, Proceedings, Surat, 19 May 1781, pp. 90-9.

<sup>80</sup> In 1752, they bought 93 *lasts* of wheat at Rs 100 per *last* and exported 15 *lasts* to Ceylon, 10 to Malabar and the remainder together with 3 *lasts* already in store (a total of 71 *lasts*) to Batavia. VOC 2803, Directeur en Raad van Surat aan GG&R, 11 April 1752, pp. 59-60. In 1755, they exported 25 *lasts* of good quality white wheat to Malacca. VOC 2863, Directeur en Raad van Surat aan GG&R, 22 May 1755, p. 296.

<sup>81</sup> It was reported in 1800 that in the previous five years 4,785 bags (each containing 5 *mans*) of rice, wheat and *mung* were exported to West Asia through the *latty* and 900 bags of wheat to Masqat through the *furza*. During the same period 5,700 bags of wheat and 732 bags of rice were exported to Mokha, Jeddah and Masqat. FRS 79, Proceedings, Surat, 17 May 1800, pp. 291-2.

<sup>82</sup> In a *pargana*-wise description of production, manufacture, trade and revenue of Surat, wheat and tobacco are invariably mentioned among other crops. FRS 59, Proceedings, Surat, 19 May 1781, pp. 90-9.

<sup>83</sup> VOC 3063, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 93-4.

<sup>84</sup> Bayly suggests a similar development in the context of some localities in north India. He highlights the complex linkages between state, revenue and trade whereby the locality wins back the resources it loses in the form of tribute by selling goods to the centre. The absence of trade between locality and the centre on account of stoppage of the tribute was compensated for by a growth in local demand and consumption. C. A. Bayly, *Rulers, Townsmen and Bazaars, North Indian Society in the Age of British Expansion 1770-1870* (Cambridge, 1983), 51-73.

<sup>85</sup> The 1781 figures represent the actual collection whereas *Mirat* records the *jama* figures which suggest that the actual collection must have been lower than what it was in 1781. FRS 59, Proceedings, Surat, 19 May 1781, pp. 90-9; Ali Mohammad Khan, *Khatma Mirat-i Ahmadi*, ed. Syed Nawab Ali (Baroda, 1930), 223-4.

<sup>86</sup> The Nawab's revenue was Rs 350,751 and that of Fateh Singh was Rs 358,101. Broach Factory Diary 258, Proceedings, Surat, 1 Dec. 1772, pp. 64-6.

<sup>87</sup> *Mirat* gives the *jama* figure for Broach as 65,904,869 *dam*, which is Rs 1,647,617. *Khatma Mirat-i Ahmadi*, 205-7. In another contemporary account, the *jama* is given as 68,174,167 *dam* which is Rs 1,704,355. *Paimaish-i zamin-i taalluqa-i balda-i Ahmadabad*

[Measurement of land of the revenue unit of the city of Ahmadabad] (anonymous), IOL, Islamic Ms. 4549, f. 27b.

<sup>88</sup> VOC 2786, Directeur en Raad van Surat aan GG&R, 30 April 1751, pp. 1025-6; BCP 49, Proceedings, Bombay, 11 Sept. 1789, pp. 249-50.

<sup>89</sup> Between 1 Sept. 1799 and 4 June 1800, Bombay received in all about 120,000 bales of cotton from Gujarat. Home Misc. 476, D. Scotts to Jonathan Duncan, 23 May 1801, pp. 141-5.

<sup>90</sup> Bombay Commercial Reports: Abstract statement of internal and external commerce of the Bombay Presidency (P/419) 39-43. In terms of volume, the average annual export of cotton during the five years amounted to 57,393 bales (calculated at the price of Rs 120 per *candy* or Rs 60 per bale).

<sup>91</sup> BCP 49, Proceedings, Bombay, 11 Sept. 1789, pp. 249-50.

<sup>92</sup> During the years 1801-5, the average annual value of cotton exports from Gujarat's 'northern ports' (excluding Kachh) to Bombay amounted to Rs 3,443,602; Surat's contribution was Rs 550,210. Bombay Commercial Reports: Abstract statement of internal and external commerce of the Bombay Presidency (P/419) 39-43.

<sup>93</sup> BCP 49, Proceedings, Bombay, 11 Sept. 1789 (Report on cotton by John Griffith, Surat, 22 Aug. 1789), pp. 247-9.

<sup>94</sup> BCP 50, Proceedings, Bombay, 18 Nov. 1790 (Surat to Bombay, 15 Nov. 1790), pp. 272-3; *ibid.*, Proceedings, Bombay, 27 Dec. 1790 (Surat to Bombay, 23 Dec. 1790), pp. 305-6.

<sup>95</sup> In 1790-1, an epidemic occurred in parts of Gujarat during which about 100,000 people died in Surat, a calamity that jeopardised the manufacturing industry. FRS 70, Proceedings, Surat, 15 April 1792, pp. 149-51.

<sup>96</sup> Bombay Commercial Reports: Abstract statement of internal and external commerce of the Bombay Presidency (P/419) 39.

<sup>97</sup> See the statements of Gujarat's imports and exports at the Bombay Presidency of the year 1805/6, 1814/15 and 1815/16. *Ibid.*, 43, 51 and 52.

<sup>98</sup> VOC 2786, Directeur en Raad van Surat aan GG&R, 15 Dec. 1750, pp. 906-7; VOC 2842, Directeur en Raad van Surat aan GG&R, 11 May 1754, pp. 928-9. Cotton production in Surat and Broach decreased from the usual 15,000 bales to merely 4,500 bales. VOC 2786, Directeur en Raad van Surat aan GG&R, 30 April 1751, p. 1027. The rise in the cotton price over the period between 1747 and 1757 was attributed to high external demand for cotton textiles as well as to the loss or reduction of supplies from some other regions that formerly complemented Surat's supply potential. VOC 2937, Directeur en Raad van Surat aan GG&R, 15 April 1758, pp. 58-9. Surprisingly, during these years the VOC's textile and cotton exports from Gujarat were the highest of the century, with an annual average of about 900,000 guilders (Appendix 10).

<sup>99</sup> In the 1800s and 1810s, cotton prices at Bombay varied from Rs 120 to Rs 166 per Surat *candy*. Bombay Commercial Reports: (P/419) 44, 50, 52, 53, Price Current Merchandise of the years 1807/8, 1813/14, 1815/16 and 1816/17.

<sup>100</sup> In Bengal, on the contrary, significantly high production in the late eighteenth and early nineteenth centuries did not lead to any rise in the producers' income because labour had lost its autonomy and the freedom to avail itself of the benefits of increased production. See Om Prakash, 'Trade and Politics in Eighteenth-Century Bengal', in Leonard Blussé and Femme S. Gaastra (eds.), *On the Eighteenth Century as a Category of Asian History: Van Leur in Retrospect* (Aldershot, 1998), 249-51, 257.

<sup>101</sup> See the declaration by the Portuguese brokers, Hari Vallabh, Pran Vallabh, Pestonji Jamasji and Merwanji. BCP 54, Proceedings, Bombay, 18 March 1794, pp. 120-1.

<sup>102</sup> As Irfan Habib says about seventeenth-century Mughal India, 'most of skilled labourers, even under the system of advances, sold their wares at market price'. Irfan Habib, 'Potentialities of Capitalistic Development in the Economy of Mughal India', in *idem*, *Essays in Indian History: Towards a Marxist Perception* (London, 2002), 231.

<sup>103</sup> FRS 76, Proceedings of the English Council at Surat, 17 Aug. 1797, pp. 308-18.

<sup>104</sup> This is evident from the complaints made by the VOC's suppliers that the English broker Jagannath Laldas intimidated several weavers who were apparently working for the VOC into producing for the English and even took by force whatever they had produced.

VOC 3063, Directeur en Raad van Surat aan GG&R, 22 Dec. 1761, pp. 23-4; VOC 3063, Resoluties, Surat, 5 Aug. 1761, pp. 234-6.

<sup>105</sup> SFD 16/1 (1761-63), English letter to the Dutch, Surat, 20 Aug. 1761, p. 18; BCP 56, Proceedings, Bombay, 27 Oct. 1795, 809, pp. 817-19.

<sup>106</sup> The Dutch authorities at Surat, being apprehensive of demand-pull inflation, were quite often reluctant to make public their total requirements for export goods. VOC 2803, Directeur en Raad van Surat aan GG&R, 11 April 1752, pp. 80-1.

<sup>107</sup> FRS 70, Proceedings, Surat, 5 April 1792, pp. 149-54. In 1798, the suppliers of piece-goods to the EIC, Nagardas Krishndas and Ramdas Vizbukandas, were unable to fulfil their obligation because the Portuguese brokers had bought goods at high prices that encouraged weavers to make goods of inferior quality. BCP 61, Proceedings, Bombay, 1 May 1798, pp. 406-8.

<sup>108</sup> FRS 68, Proceedings, Surat, 14 April 1790, pp. 216-19. This was so rampant that the English authorities at Surat found it necessary to retain the rejected goods for some time in the warehouse in order to intimidate the weavers.

<sup>109</sup> BCP 56, Proceedings, Bombay, 27 Oct. 1795 (Surat to Bombay, 15 Oct. 1795), pp. 813-19; BCP 61, Proceedings, Bombay, 1 May 1798, pp. 406-8.

<sup>110</sup> BCP 56, Proceedings, Bombay, 27 Oct. 1795 (Surat to Bombay, 15 Oct. 1795), pp. 807-9.

<sup>111</sup> BCP 54, Proceedings, Bombay, 18 March 1794, pp. 113-20.

<sup>112</sup> *Ibid.*, pp. 113-15.

<sup>113</sup> The average sale of cloves and nutmeg during the years 1671-98 was 78,719 and 47,739 pounds respectively. Pieter van Dam, *Beschrijvinge van de Oost-Indische Compagnie*, ed. F.W. Stapel and C. W. Th. Van Boetzelaer, Book II part III, ('s-Gravenhage, 1927-54), 131-3. Their corresponding averages during the years 1711-45 were 34,517 and 10,553 pounds (Appendix 5).

<sup>114</sup> The averages went up to 45,946 and 22,242 pounds in the first three decades of the second half of the eighteenth century (Appendix 5).

<sup>115</sup> Prakash, *Dutch East India Company*, 141; Ryuto Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden, 2006), 42-3, 159-64.

<sup>116</sup> VOC 3728, Resoluties, Surat, 16 April 1786, pp. 222-3. When the Company's debts rose to above f 600,000 in 1790/1, the authorities requested that Batavia increase the volume of merchandise annually supplied to Surat. VOC 3900, Directeur en Raad van Surat aan GG&R, 31 Dec. 1791, f. 3v.

<sup>117</sup> A large supply of cloves by English and Armenian merchants reduced their price and made it difficult for the Dutch to sell cloves at the fixed price in Surat. VOC 3805, Resoluties, Surat, 17 Apr. 1787, pp. 161-7.

<sup>118</sup> See Chapter Four, notes 72 and 78; Shimada, *Intra-Asian Trade*, Appendix 7, 205-6.

<sup>119</sup> This was quite unlike the Persian Gulf where the European Companies' trade suffered a drastic reduction in terms of imports and exports in the eighteenth century. Thus, the VOC's trade declined sharply after the collapse of the Safavid Empire in 1722. The VOC's imports and sales of sugar at Gombroon dropped from an annual average of 1.2 million pounds during the years 1703-22, to about 180,000 pounds during the years 1723-57. Ghulam A. Nadri, 'The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century', *International Journal of Maritime History*, 20/1 (2008).

<sup>120</sup> Scholars have taken divergent positions in their portrayal of the eighteenth-century political economy of South Asia. One group considers this a period of economic decline. Irfan Habib, 'Eighteenth Century in Indian Economic History', in Seema Alavi (ed.), *The Eighteenth Century in India: Debates in Indian History and Society* (New Delhi, 2002) and M. Athar Ali, 'Recent Theories of Eighteenth Century India', *Indian Historical Review*, 13/1-2 (1986-7). Another locates economic growth in different spheres of activities. Muzaffar Alam, *The Crisis of Empire in Mughal North-India: Awadh and the Punjab, 1707-1748* (New Delhi, 1986); Bayly, *Rulers, Townsmen and Bazaars*; André Wink, *Land and Sovereignty in India: Agrarian Society and Politics under the Eighteenth Century Maratha Svarājya* (Cambridge, 1986); Burton Stein, 'A Decade of Historical Efflorescence', *South Asia Research*, 10/2 (1990).

<sup>121</sup> Expression used in Habib, 'Eighteenth Century in Indian Economic History', 217.

### Notes to Conclusion

<sup>1</sup> In the eighteenth-century Dutch Republic, merchants exercised a considerable degree of initiative in political matters. C. R. Boxer, *The Dutch Seaborne Empire, 1600-1800* (London, 1965), 52-3. Out of thirty-seven burgomasters of Amsterdam during 1752-95, thirteen were merchants; the others had close family connections with commercial firms and almost all were directors of the VOC. Ibid. 53.

<sup>2</sup> Merchants knew how to protect their interests and resorted to every means, from written representation to violent actions, whenever they felt threatened. There are several references to such collective measures taken by Surat merchants in the early eighteenth century. I'timad Ali Khan, *Mirat-ul Haqiq* [Mirror of Realities] (c. 1726), Bodleian Library, Oxford, ff. 235b, 236a-b, 237a, 362a, 363a, 422a-b; Ali Mohammad Khan, *Mirat-i Ahmadi*, ed. Syed Nawab Ali, II (Baroda, 1928), 106, 113, 139. Elsewhere, I have discussed this aspect in detail. Ghulam A. Nadri, 'The Trading World of Indian Ocean Merchants in Pre-colonial Gujarat 1600-1750', in Om Prakash (ed.), *Trading World of the Indian Ocean 1500-1800*, to be published under the auspices of the History of Science, Philosophy and Culture in Indian Civilisation project, 2008.

<sup>3</sup> Mulla Mohammad Ali was one such merchant who in the 1720s played a role in the appointment or removal of the governors of Surat. *Mirat-i Ahmadi*, II, 194.

<sup>4</sup> Timur Kuran, *Islam and Mammon: The Economic Predicaments of Islamism* (New Delhi, 2006), 125.

<sup>5</sup> Ashin Das Gupta, 'India and the Indian Ocean in the Eighteenth Century', in idem and M. N. Pearson (eds.), *India and the Indian Ocean, 1500-1800* (Calcutta, 1987), 141.

<sup>6</sup> Thus, Surat's share in the total sale of cloves in India between 1714/15 and 1716/17 was 58.05 per cent as against Coromandel (30.44%), Bengal (9.28%) and Malabar (2.21%). Om Prakash, *The Dutch East India Company and the Economy of Bengal, 1630-1720* (Princeton, 1985), 159-60.

<sup>7</sup> G. D. Sharma, 'Ports of Gujarat in the Nineteenth Century: Trading Networks and Commercial Practices', in Indu Banga (ed.), *Ports and their Hinterlands in India (1700-1950)* (New Delhi, 1992).



# APPENDIX 1

## FARMING OF THE ENGLISH SHARE OF THE CUSTOMS REVENUE OF BHAVANAGAR AND MOWAH (in rupees)

Year	Bhavanagar	Mowah	Name of the Farmer
1762-63	3,525		NA
1763-64	3,000		Edul Dada
1776-77	3,525	500	NA
1777-78	10,125	1,126	Nausherwanji Bahmanji / Bhokandas Mohandas
1778-79	12,251	1,285	Nausherwanji Bahmanji / Ratanji Manikji
1779-80	12,961	685	Khurshedji Manikji
1780-81	10,221	661	Bhimji Rustamji / Mahawarji Noroji
1781-82	9,125	825	Nausherwanji Bahramji and Bahramji Edulji
1783-84	6,531	251	Framji Mancherji / Bhokandas Jagivandas
1785-86	4,605		NA
1786-87	3,125		Jamasji Framji
1788-89	4,451		Andaroo Mancherji Jamasji
1789-90	7,125		Mancher Jamasji
1790-91	7,525		a Parsi merchant
1791-92	4,451		a Parsi merchant
1792-93	6,125		Shapurji Parekh
1793-94	10,500		Andaroo Jamasji Framji
1794-95	12,525		Andaroo Jamasji Framji
1795-96	8,025		Goverdhandas Jivandas
1796-97	7,501		Khurshedji Marwanji
1797-98	NA		Bahmanji Mancherji
1799-1800	7,000		Pestonji Jamasji

Source: SFD 16/II, p. 428; FRS 55, p. 87; FRS 56, p. 50; FRS 57, p. 113; FRS 58, p. 87; FRS 59, p. 70; FRS 61, pp. 80-2; FRS 64, p. 206; FRS 66, p. 77; FRS 67, p. 112; FRS 68, p. 189; FRS 69, 67-8; FRS 70, p. 103; FRS 71, p. 83; FRS 72, p. 95; FRS 73, p. 184; FRS 74, p. 409; FRS 78, p. 289.

APPENDIX 2

LABOUR WAGES AT SURAT (in stivers per day)

[illegible]

[illegible]





Main categories	Sub-categories	1789	1790	1792	1794	1795
Carpenters	Unidentified	12	12			12
	i) Boss	30	15	15	15	
	ii) Others	15	12	12	12	
	iii) Boys					
Bricklayers	Unidentified		12			
	i) Boss	12		15		15
	ii) Others	10		12		12
	iii) Boys					
Drillers			12	12	12	
Sawyers						
Sailors			5		5	
Sailmakers	Unidentified	12	12	12	10	
	i) Others	10	10	10		
	ii) Boys					
Caulkers	Unidentified	12	12	12	12	
	i) Others	10	10	10	10	
	ii) Boys					
Labourers	Unidentified					
	i) Men	5	5	5	5	5
	ii) Women	3.7	3.7			3.7
	iii) Boys				3.7	
Smiths		10		10	10	
Saddle makers	i) Boss					
	ii) Others					
	iii) Boys					
Coolies		5	5			
Limemakers		5	5		5	5

Source: Collected from the statements of expenditure on the construction and renovation of Dutch ships and houses in Surat. VOC 2355, pp. 171, 176-7, 180, 185, 190; VOC 2390, pp. 189, 195-7, 199; VOC 3026, pp. 236, 258, 337-8; VOC 3063, pp. 20, 118-19; VOC 3122; VOC 3155, pp. 296, 527-9; VOC 3179, pp. 116-21; VOC 3184, p. 22; VOC 3238, f. 258<sup>f</sup>; VOC 3269, pp. 125, 127-30, 199; VOC 3298; VOC 3328, pp. 81, 87; VOC 3521, ff. 209<sup>v</sup>-210<sup>v</sup>; VOC 3576, ff. 208<sup>r</sup>, 229<sup>v</sup>; VOC 3670, ff. 237<sup>v</sup>-238<sup>v</sup>; VOC 3697, pp. 66, 170-1, 216-34; VOC 3805, pp. 25, 228-31; VOC 3854, pp. 125-6; VOC 3899; VOC 3983, pp. 56-67, 121; VOC 10429, pp. 66-8; HRB 866, bijlage; Nederlandse Bezittingen, no. 137, pp. 70-1, 79.

APPENDIX 3

THE FAMILY TREE OF THREE MERCHANTS OF SURAT

Table 1 Family-tree of Kishandas, broker of the Dutch East India Company

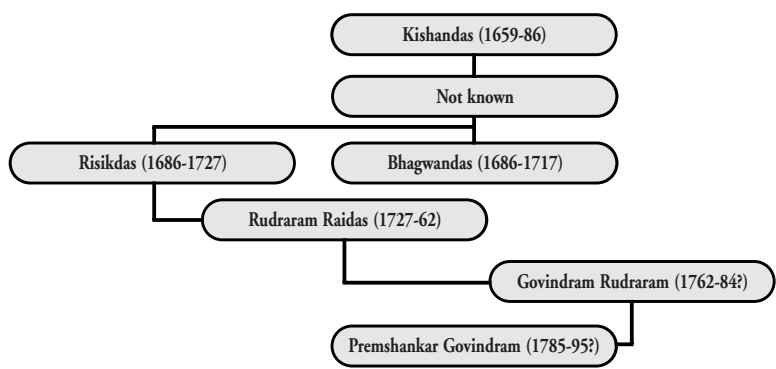


Table 2 Family-tree of Abdul Ghafur, the 'merchant-prince' of Surat

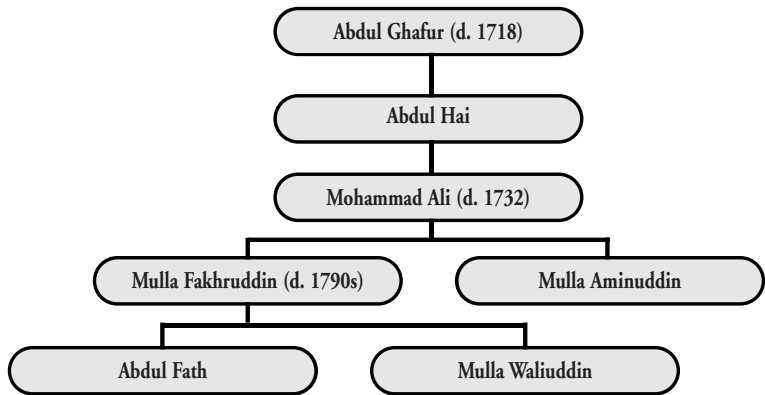
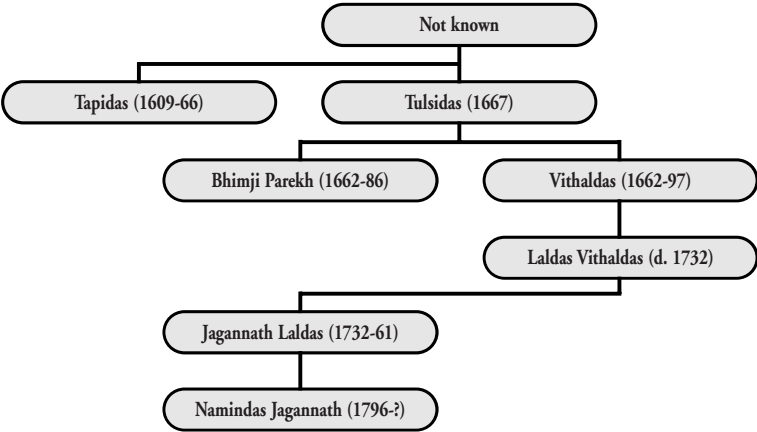


Table 3 Family-tree of Tapidas, broker of the English East India Company



# APPENDIX 4

## ANNUAL VALUES OF THE VOC'S IMPORTS, SALES, AND PROFITS AT SURAT, 1711-1793 (in guilders)

Year	Imports	Sales	Profits	Profits %
1710-11	470,364	1,044,872	574,508	122
1711-12	522,775	1,102,893	580,118	111
1712-13	391,204	968,219	577,015	148
1713-14	374,163	957,083	582,920	156
1714-15	286,112	846,514	560,402	196
1715-16	267,630	756,939	489,309	183
1716-17	242,509	733,139	490,630	202
1717-18	338,862	752,816	413,954	122
1718-19	311,978	684,763	372,785	119
1719-20	518,033	1,054,653	536,620	104
1720-21	272,489	777,458	504,969	185
1721-22	494,720	1,027,578	532,858	108
1722-23	406,314	708,816	302,502	74
1723-24	443,997	683,343	239,346	54
1724-25	NA			
1725-26	572,476	789,423	216,947	38
1726-27	179,033	470,003	290,970	163
1727-28	265,019	663,972	398,953	150
1728-29	322,978	737,722	414,744	128
1729-30	221,513	560,993	339,480	153
1730-31	167,043	403,546	236,503	142
1731-32	202,280	355,378	153,098	76
1732-33	124,856	243,740	118,884	95
1733-34	451,342	777,961	352,469	78
1734-35	201,629	315,851	114,223	57
1735-36	161,990	336,602	174,612	108
1736-37	87,722	180,375	92,653	106
1737-38	228,758	467,187	238,429	104
1738-39	279,319	525,133	245,814	88
1739-40	193,870	435,280	241,410	124
1740-41	288,584	610,331	321,747	111
1741-42	154,005	434,386	280,381	182
1742-43	NA			
1743-44	94,349	315,790	221,441	235
1744-45	NA			
1745-46*	281,269	720,808	439,539	156
1746-47	339,504	874,418	534,914	158
1747-48	398,167	990,005	591,838	148
1748-49	318,129	857,834	539,705	170
1749-50	754,086	1,363,010	608,923	81
1750-51	714,770	1,609,540	888,770	124
1751-52	514,450	1,074,110	559,660	109
1752-53	351,934	1,219,406	867,472	246
1753-54	358,716	896,997	538,281	150
1754-55	433,884	1,029,171	595,287	137
1755-56	625,243	1,310,156	684,912	110

Year	Imports	Sales	Profits	Profits %
1756-57	279,123	574,134	295,011	106
1757-58	636,020	1,398,829	762,809	120
1758-59	493,506	1,112,472	618,966	125
1759-60	446,924	1,266,445	819,521	183
1760-61	568,821	1,424,581	855,760	151
1761-62	228,214	626,221	398,008	174
1762-63	285,310	790,074	504,764	177
1763-64	393,626	1,148,454	754,828	192
1764-65	495,359	1,227,262	731,903	148
1765-66*	675,882	1,574,224	898,342	133
1766-67	520,118	1,311,771	791,653	152
1767-68	447,899	1,102,849	654,950	146
1768-69	40,052	191,875	151,823	379
1769-70	312,309	649,416	337,107	108
1770-71	325,548	794,571	469,023	144
1771-72	320,514	809,001	488,486	152
1772-73	157,431	423,659	266,228	169
1773-74	217,244	490,383	273,139	126
1774-75	99,069	399,086	300,017	303
1775-76	70,107	398,383	328,276	468
1776-77	298,848	800,721	501,873	168
1777-78	283,066	850,297	567,231	200
1778-79	248,073	628,478	380,404	153
1779-80	215,979	630,369	414,390	192
1781-83**				
1784-85	118,383	355,970	237,587	201
1785-86	219,778	723,171	503,393	238
1786-87	280,726	681,894	401,168	143
1787-88	236,776	466,007	229,232	97
1788-89	223,173	626,273	403,100	181
1789-90	233,097	500,999	267,902	115
1790-91	200,313	411,529	211,216	106
1791-92	280,726	588,752	308,026	110
1792-93	127,328	419,413	292,085	229

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia, 1711-1793 (VOC 1802, pp. 2132-3; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015, pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>v</sup>-52<sup>r</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2447, pp. 48-9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2679, pp. 92-3; VOC 2704, p. 45; VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>v</sup>-98<sup>r</sup>; VOC 3179, ff. 479<sup>r</sup>, 485<sup>r</sup>; VOC 3207, f. 154<sup>v</sup>; VOC 3238, ff. 358<sup>v</sup>-359<sup>r</sup>; VOC 3268, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3328, pp. 129-30; VOC 3354, ff. 179<sup>v</sup>-180<sup>r</sup>; VOC 3408, p. 65; VOC 3409, p. 181; VOC 3437, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3462, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3490, ff. 371<sup>v</sup>-372<sup>r</sup>; VOC 3521, f. 85<sup>v</sup>; VOC 3549, ff. 89<sup>v</sup>-90<sup>r</sup>; VOC 3576, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3642, ff. 281<sup>v</sup>-282<sup>r</sup>; VOC 3696, ff. 12<sup>v</sup>-13<sup>r</sup>; VOC 3727, ff. 256<sup>v</sup>-257<sup>r</sup>; VOC 3853, ff. 103<sup>v</sup>-104<sup>r</sup>, 113<sup>v</sup>-114<sup>r</sup>; VOC 3899, ff. 58<sup>v</sup>-

59<sup>F</sup>; VOC 3933, ff. 43<sup>V</sup>-44<sup>F</sup>; VOC 3982, ff. 201<sup>V</sup>-202<sup>F</sup>; VOC 4908; VOC 9083, pp. 96-7).

\*The figures for these years are based on rough statements of sale (*ruwe rendementen*).

\*\* All commercial activities of the Company at Surat and elsewhere on the subcontinent were suspended during these years on account of the Fourth Anglo-Dutch War.

## APPENDIX 5

ANNUAL IMPORTS AND SALES OF CLOVES AND NUTMEG  
BY THE VOC AT SURAT, 1702-1791  
(volumes in Dutch pounds and values in guilders)

Year	Cloves (pounds)	Imports	Sales	Profits %	Nutmeg (pounds)	Imports	Sales	Profits %
1701-2	20,385	8,578	92,612		35,691	4,265	126,597	
1702-3	NA				NA			
1703-4	40,000	14,917	211,668	1,319	21,897	1,797	79,780	4,339.5
1704-5	NA				NA			
1705-6	NA				NA			
1706-7	75,893	28,320	398,570	1,307.3	25,375	2,395	90,748	3,690.5
1707-8	NA				NA			
1708-9	0	0	0		14,500	1,203	53,153	4,318.9
1709-10	NA				NA			
1710-11*	53,713	19,575	277,466	1,318	48,747	4,496	171,895	
1711-12	47,125	17,031	243,436	1,329.6	5,437	444	19,451	4,283.5
1712-13	69,050	22,061	356,811	1,477.7	7,000	565	24,905	4,201.4
1713-14	77,445	25,450	400,062	1,433.6	2,363	190	8,439	4,225.5
1714-15	76,878	26,267	397,133	1,375	13,231	1,066	47,162	4,215.9
1715-16	48,400	16,231	248,827	1,390	23,563	1,890	84,062	4,239.5
1716-17	43,540	14,650	223,755	1,390	30,084	2,392	107,051	4,267
1717-18	35,000	11,734	180,777	1,403	10,000	766	35,758	4,456
1718-19	32,000	10,728	166,138	1,410	7,813	598	28,047	4,474
1719-20	47,863	16,023	245,974	1,397.7	13,886	1,063	49,622	4,456.2
1720-21	48,255	16,148	249,271	1,406	26,559	2,023	94,983	4,479.8
1721-22	58,000	19,452	299,614	1,402.7	14,863	1,122	52,879	4,499.5
1722-23	23,893	7,996	122,789	1,398.2	13,461	1,011	48,140	4,545.7
1723-24	24,228	8,701	124,511	1,331	6,756	546	24,037	4,298.5
1724-25	NA				NA			
1725-26	9,062	3,025	46,573	1,402.2	4,531	342	16,122	4,494
1726-27	34,129	11,390	177,191	1,455.6	11,304	854	40,540	4,645
1727-28	48,313	15,966	249,173	1,460.6	8,414	739	30,072	3,964.2
1728-29	50,025	16,651	258,000	1,449.5	5,050	420	18,050	4,199
1729-30	46,601	15,496	240,435	1,451.5	6,300	483	22,515	4,557.2
1730-31	20,000	6,668	103,148	1,446.9	17,113	1,311	61,168	4,565.5
1731-32	0	0	0		9,193	698	32,860	4,604.7
1732-33	5,437	1,810	27,903	1,441.2	3,625	297	12,956	4,251.5
1733-34	30,268	10,076	155,786	1,446	906	76	3,239	4,180.2
1734-35	5,619	1,870	28,978	1,449	0	0	0	
1735-36	17,943	5,991	92,543	1,444.8	3,081	1,359	13,947	926.5
1736-37	10,875	3,616	55,825	1,440.8	0	0	0	
1737-38	19,938	6,629	102,306	1,443.3	5,951	466	21,163	4,441.5
1738-39	22,656	7,574	116,256	1,435	0			
1739-40	22,097	7,366	115,301	1,465.4	4,350	439	15,714	3,479.9
1740-41	22,183	7,478	114,011	1,424.5	5,498	509	19,561	3,745.7
1741-42	27,763	9,355	142,692	1,425.3	11,336	989	40,337	3,977
1742-43	NA				NA			
1743-44	14,500	3,760	72,375	1,825.5	2,719	161	2,732	1,642.3
1744-45	NA				NA			



Year	Cloves (pounds)	Imports	Sales	Profits %	Nutmeg (pounds)	Imports	Sales	Profits %
1745-46*	38,606	14,053	154,541	1,378.5	6,366	368	18,500	4,928
1746-47	37,700	10,235	188,502	1,741.7	25,375	2,187	73,729	3,271
1747-48	39,296	10,606	196,486	1,752.5	20,276	1,447	58,801	3,962.5
1748-49	42,908	17,505	208,902	1,093.4	23,381	4,770	65,468	1,272.6
1749-50	38,620	15,756	193,107	1,125.5	35,779	7,298	107,183	1,272.6
1750-51	71,093	29,026	355,476	1,124.6	28,421	5,811	79,581	1,269.5
1751-52	24,664	10,063	123,459	1,126.9	21,995	4,487	61,588	1,272.6
1752-53	80,594	36,963	452,987	1,125.5	29,181	5,953	81,709	1,272.6
1753-54	57,164	23,323	285,830	1,125.5	26,865	5,481	75,225	1,272.6
1754-55	35,879	14,629	179,385	1,126.2	20,118	4,104	56,333	1,272.7
1755-56	50,327	20,534	251,636	1,125.5	36,249	7,395	101,496	1,272.5
1756-57	5,438	2,218	20,547	1,186.7	10,218	2,084	30,654	1,369.7
1757-58	61,625	25,143	323,531	1,186.7	30,430	6,209	91,308	1,369.7
1758-59	32,154	13,409	168,807	1,158.9	16,850	3,437	50,550	1,370.6
1759-60	67,912	27,708	356,537	1,186.7	26,018	5,308	78,054	1,370.6
1760-61	57,057	23,279	299,547	1,186.7	30,771	6,277	92,314	1,370.6
1761-62	22,849	9,322	119,955	1,186.7	21,036	4,291	63,108	1,375.6
1762-63	27,913	11,388	146,541	1,186.7	15,225	3,106	45,675	1,370.6
1763-64	57,246	23,356	300,540	1,186.7	32,875	6,706	98,624	1,370.6
1764-65	48,645	19,847	255,388	1,186.7	27,335	5,576	82,004	1,370.6
1765-66*	50,000	20,400	252,500	1,186.7	30,000	6,120	90,000	1,370.7
1766-67	58,270	23,774	305,918	1,186.7	29,018	5,920	87,053	1,370.6
1767-68	58,198	23,745	305,538	1,186.7	28,836	5,882	86,507	1,370.6
1768-69	28,823	9,702	121,056	1,147.7	9,094	1,531	21,826	1,326
1769-70	41,746	14,051	175,331	1,147.7	19,472	3,277	46,733	1,326
1770-71	48,032	16,167	201,732	1,147.7	15,761	2,154	37,345	1,326
1771-72	62,559	21,068	262,748	1,147.7	35,731	6,014	85,755	1,326
1772-73	31,567	10,626	132,584	1,147.7	7,461	1,256	17,907	1,326
1773-74	15,411	5,188	64,727	1,147.7	13,336	1,739	24,807	1,326
1774-75	48,577	16,351	204,021	1,147.7	23,381	3,935	56,115	1,326
1775-76	59,631	20,072	250,451	1,147.7	13,775	2,318	33,060	1,326
1776-77	50,009	16,833	210,036	1,147.7	25,131	4,230	60,314	1,326
1777-78	55,000	18,513	231,000	1,147.7	25,000	4,208	60,000	1,326
1778-79	20,002	6,733	84,008	1,147.7	15,500	2,609	37,199	1,326
1779-80	50,003	16,831	210,013	1,147.7	2,186	368	5,246	1,326.5
1780-84**								
1784-85	28,293	9,709	112,888	1,062.7	860	145	1,961	1,255
1785-86	38,545	13,207	154,025	1,000	0			
1786-87	28,550	10,361	113,915	999.7	4,898	1,008	22,334	2,115
1787-88	0	0	0		4,034	826	18,395	2,128
1788-89	61,861	22,406	228,038	917.6	3,796	784	21,636	2,658.9
1789-90	30,468	11,110	102,845	825.7	0			
1790-91	9,072	3,303	36,194	991	2,643	531	15,067	2,735

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia, 1702-1792 (VOC 1679, pp. 34-5; VOC 1685, p. 2598; VOC 1714, pp. 44-5; VOC 1797, pp. 190-1; VOC 1802, pp. 2132-3; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015, pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>v</sup>-52<sup>r</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2447, pp. 48-

9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2679, pp. 92-3; VOC 2704, p. 45; VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>v</sup>-98<sup>r</sup>; VOC 3179, ff. 479<sup>r</sup>, 485<sup>r</sup>; VOC 3207, f. 154<sup>v</sup>; VOC 3238, ff. 358<sup>v</sup>-359<sup>r</sup>; VOC 3268, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3328, pp. 129-30; VOC 3354, ff. 179<sup>v</sup>-180<sup>r</sup>; VOC 3408, p. 65; VOC 3409, p. 181; VOC 3437, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3462, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3490, ff. 371<sup>v</sup>-372<sup>r</sup>; VOC 3521, f. 85<sup>v</sup>; VOC 3549, ff. 89<sup>v</sup>-90<sup>r</sup>; VOC 3576, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3642, ff. 281<sup>v</sup>-282<sup>r</sup>; VOC 3696, ff. 12<sup>v</sup>-13<sup>r</sup>; VOC 3727, ff. 256<sup>v</sup>-257<sup>r</sup>; VOC 3853, ff. 103<sup>v</sup>-104<sup>r</sup>, 113<sup>v</sup>-114<sup>r</sup>; VOC 3899, ff. 58<sup>v</sup>-59<sup>r</sup>; VOC 3933, ff. 43<sup>v</sup>-44<sup>r</sup>; VOC 3982, ff. 201<sup>v</sup>-202<sup>r</sup>; VOC 4908; VOC 9083, pp. 96-7).

\*The figures for these years are based on rough statements of sale (*ruwe rendementen*).

\*\* Fourth Anglo-Dutch War.

# APPENDIX 6

## ANNUAL IMPORTS AND SALES OF PEPPER BY THE VOC AT SURAT, 1702-1792 (volumes in Dutch pounds and values in guilders)

Year	Pepper (pounds)	Imports	Sales	Profits	Profits %
1701-2	1,038,752	131,411	196,592	65,181	49.5
1703-4	171,402	21,679	45,448	23,769	116
1707-8	0	0	0	0	
1708-9	551,440	85,854	143,656	57,802	67.3
1710-11	552,250	98,629	158,122	59,493	
1711-12	661,097	90,164	172,387	82,223	91
1712-13	616,092	91,114	151,150	60,036	66
1713-14	655,525	90,466	146,521	56,055	62
1714-15	743,191	102,565	147,659	45,094	44
1715-16	280,260	38,678	58,162	19,483	50.3
1716-17	466,697	64,407	100,318	35,911	56
1717-18	601,101	82,956	132,847	49,891	60
1718-19	557,370	76,921	116,262	29,341	51
1719-20	395,420	54,570	85,974	31,404	57.5
1720-21	536,919	74,098	119,393	45,295	61
1721-22	557,179	76,894	113,469	36,575	47.5
1722-23	650,290	89,744	132,431	42,687	47.5
1723-24	NA				
1724-25	NA				
1725-26	981,505	132,296	198,217	65,921	50
1726-27	95,104	14,475	19,841	5,365	37
1727-28	232,202	31,264	47,660	16,396	52.5
1728-29	374,539	50,428	78,270	27,842	55
1729-30	375,498	50,557	78,977	28,422	55
1730-31	0	0	0	0	
1731-32	130,685	17,595	27,885	10,290	58.5
1732-33	210,247	35,068	52,470	17,402	49.5
1733-34	480,669	71,383	107,406	36,023	50
1734-35	0	0	0	0	
1735-36	0	0	0	0	
1736-37	0	0	0	0	
1737-38	36,250	5,749	11,725	5,976	104
1738-39	125,586	19,917	39,844	19,927	100
1739-40	89,603	12,922	25,063	12,141	94
1740-41	93,517	12,782	27,729	14,947	117
1741-42	139,863	19,116	41,472	22,356	117
1742-43	NA				
1743-44	187,061	21,026	55,005	33,979	161.5
1744-45	NA				
1745-46*	185,132	20,847	49,406	28,559	137
1746-47	47,164	5,773	13,766	7,993	138.5
1747-48	57,873	6,716	18,739	12,023	179
1748-49	45,025	6,315	13,660	7,345	116
1749-50	92,611	12,988	24,598	11,610	89.3
1750-51	59,140	7,714	16,104	8,390	108.7
1751-52	0	0	0	0	

Year	Pepper (pounds)	Imports	Sales	Profits	Profits %
1752-53	0	0	0	0	
1753-54	0	0	0	0	
1754-55	46,395	6,507	20,414	13,907	213.7
1755-56	0	0	0	0	
1756-57	0	0	0	0	
1757-58	0	0	0	0	
1758-59	0	0	0	0	
1759-60	23,406	3,331	10,331	7,000	210
1760-61	27,691	4,028	12,184	8,156	204
1761-62	0	0	0	0	
1762-63	0	0	0	0	
1763-64	0	0	0	0	
1764-65	0	0	0	0	
1765-66*	0				
1766-67	0	0	0	0	
1767-68	0	0	0	0	
1768-69	0	0	0	0	
1769-70	0	0	0	0	
1770-71	42,792	5,096	16,186	11,090	217.5
1771-72	0	0	0	0	
1772-73	0	0	0	0	
1773-74	0	0	0	0	
1774-75	0	0	0	0	
1775-76	0	0	0	0	
1776-77	0	0	0	0	
1777-78	0	0	0	0	
1778-79	0	0	0	0	
1779-80	0	0	0	0	
1780-84**					
1784-85	0	0	0	0	
1785-86	0	0	0	0	
1786-87	0	0	0	0	
1787-88	0	0	0	0	
1788-89	0	0	0	0	
1789-90	0	0	0	0	
1790-91	0	0	0	0	
1791-92	0	0	0	0	

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia, 1711-1793 (VOC 1679, pp. 34-5; VOC 1685, p. 2598; VOC 1714, pp. 44-5; VOC 1797, pp. 190-1; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015, pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>v</sup>-52<sup>r</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2447, pp. 48-9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2679, pp. 92-3; VOC 2704, p. 45; VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>v</sup>-98<sup>r</sup>; VOC 3179, ff. 479<sup>r</sup>, 485<sup>r</sup>; VOC 3207, f. 154<sup>v</sup>; VOC 3238, ff. 358<sup>v</sup>-359<sup>r</sup>; VOC 3268, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3328, pp. 129-30; VOC 3354, ff. 179<sup>v</sup>-180<sup>r</sup>; VOC

3408, p. 65; VOC 3409, p. 181; VOC 3437, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3462, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3490, ff. 371<sup>v</sup>-372<sup>r</sup>; VOC 3521, f. 85<sup>v</sup>; VOC 3549, ff. 89<sup>v</sup>-90<sup>r</sup>; VOC 3576, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3642, ff. 281<sup>v</sup>-282<sup>r</sup>; VOC 3696, ff. 12<sup>v</sup>-13<sup>r</sup>; VOC 3727, ff. 256<sup>v</sup>-257<sup>r</sup>; VOC 3853, ff. 103<sup>v</sup>-104<sup>r</sup>, 113<sup>v</sup>-114<sup>r</sup>; VOC 3899, ff. 58<sup>v</sup>-59<sup>r</sup>; VOC 3933, ff. 43<sup>v</sup>-44<sup>r</sup>; VOC 3982, ff. 201<sup>v</sup>-202<sup>r</sup>; VOC 4908; VOC 9083, pp. 96-7).

\* The figures for these years are based on rough statements of sale (*ruwe rendementen*).

\*\* Fourth Anglo-Dutch War.

## APPENDIX 7

ANNUAL IMPORTS AND SALES OF COPPER BY THE VOC  
 AT SURAT, 1702-1791  
 (volumes in Dutch pounds and values in guilders)

Year	Copper (pounds)	Imports	Sales	Profits %
1701-2*	816,904			
1702-3*	156,042			
1703-4	158,185	79,078	99,475	25.7
1704-5*	101,248			
1705-6	0	0	0	
1706-7	365,000	151,650	240,215	59
1707-8*	650,000			
1708-9	473,063	192,869	302,611	56.9
1709-10*	525,000			
1710-11	520,239	218,501	328,038	50
1711-12	400,000	166,549	260,952	56.6
1712-13	325,000	131,412	212,537	57.7
1713-14	293,750	118,803	194,763	60
1714-15	34,375	13,876	22,964	61.4
1715-16	187,500	76,036	128,727	64.6
1716-17	125,000	51,025	85,670	63.8
1717-18	187,500	76,538	129,154	64.6
1718-19	165,625	67,608	114,300	64
1719-20	606,516	256,861	387,009	47
1720-21	73,166	33,842	49,385	42.2
1721-22	328,662	152,095	215,013	38
1722-23	292,393	135,658	188,249	35.2
1723-24*	182,812	91,143	124,343	36.5
1724-25	NA			
1725-26	284,497	132,037	194,983	44.3
1726-27	0	0	0	
1727-28	121,864	56,598	82,539	45.9
1728-29	134,000	61,755	110,352	78.7
1729-30	0	0	0	
1730-31	0	0	0	
1731-32	84,500	39,039	69,585	78.2
1732-33	35,000	16,170	28,822	78.2
1733-34	138,000	64,248	107,868	67.9
1734-35	51,750	26,322	40,395	53.5
1735-36	104,801	53,267	81,806	53.5
1736-37	0	0	0	
1737-38	298,369	128,369	182,824	42
1738-39	97,500	45,429	75,819	51.5
1739-40	103,500	48,267	82,935	71.9
1740-41	187,911	87,751	151,355	72.5
1741-42	146,253	69,875	118,475	69.5
1742-43	NA			
1743-44	28,021	9,958	22,990	130.7
1744-45	NA			
1745-46*	120,894	46,918	99,186	111.4

Year	Copper (pounds)	Imports	Sales	Profits %
1746-47	210,605	73,092	174,820	139.2
1747-48	114,654	35,339	94,150	166.5
1748-49	38,563	9,676	33,603	247
1749-50	57,632	14,461	51,398	255.4
1750-51	154,756	48,324	132,726	174.6
1751-52	66,939	20,893	57,417	174.4
1752-53	165,299	51,660	156,001	202
1753-54	0	0	0	0
1754-55	118,636	36,980	106,772	188.7
1755-56	259,286	80,893	233,358	188.2
1756-57	241,088	75,150	226,622	201.5
1757-58	199,378	64,839	187,415	189
1758-59	320,709	101,504	301,466	197
1759-60	290,671	91,143	273,231	199.7
1760-61	218,988	68,333	205,849	201
1761-62	90,264	28,136	84,848	201.5
1762-63	329,724	102,779	296,958	189
1763-64	322,263	100,453	277,135	175.9
1764-65	193,944	60,455	144,856	139.6
1765-66*	496,000	152,272	355,384	133
1766-67	329,189	101,500	251,827	148
1767-68	49,855	15,438	40,159	160
1768-69	0	0	0	0
1769-70	0	0	0	0
1770-71	216,925	55,771	147,834	165
1771-72	74,713	19,209	50,917	165
1772-73	163,260	41,972	100,725	140
1773-74	273,634	70,357	168,784	139.7
1774-75	0	0	0	0
1775-76	75,000	19,287	54,019	180
1776-77	112,244	29,295	80,843	176
1777-78	291,108	74,862	200,861	168.2
1778-79	291,639	88,742	205,282	131.4
1779-80	145,767	37,453	104,952	180.2
1780-84**				
1784-85	144,660	37,558	97,321	159
1785-86	158,088	43,102	106,330	146.7
1786-87	291,530	74,941	189,436	158
1787-88	291,639	80,251	182,857	127.9
1788-89	194,426	50,301	121,905	142
1789-90	243,032	63,052	148,225	135
1790-91	121,516	31,321	69,264	121

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia, 1702-1793 (VOC 1679, pp. 34-5; VOC 1685, p. 2598; VOC 1714, pp. 44-5; VOC 1797, pp. 190-1; VOC 1802, pp. 2132-3; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015, pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>v</sup>-52<sup>r</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2447, pp. 48-9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2679, pp. 92-3; VOC 2704, p. 45;

VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>v</sup>-98<sup>r</sup>; VOC 3179, ff. 479<sup>r</sup>, 485<sup>r</sup>; VOC 3207, f. 154<sup>v</sup>; VOC 3238, ff. 358<sup>v</sup>-359<sup>r</sup>; VOC 3268, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3328, pp. 129-30; VOC 3354, ff. 179<sup>v</sup>-180<sup>r</sup>; VOC 3408, p. 65; VOC 3409, p. 181; VOC 3437, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3462, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3490, ff. 371<sup>v</sup>-372<sup>r</sup>; VOC 3521, f. 85<sup>v</sup>; VOC 3549, ff. 89<sup>v</sup>-90<sup>r</sup>; VOC 3576, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3642, ff. 281<sup>v</sup>-282<sup>r</sup>; VOC 3696, ff. 12<sup>v</sup>-13<sup>r</sup>; VOC 3727, ff. 256<sup>v</sup>-257<sup>r</sup>; VOC 3853, ff. 103<sup>v</sup>-104<sup>r</sup>, 113<sup>v</sup>-114<sup>r</sup>; VOC 3899, ff. 58<sup>v</sup>-59<sup>r</sup>; VOC 3933, ff. 43<sup>v</sup>-44<sup>r</sup>; VOC 3982, ff. 201<sup>v</sup>-202<sup>r</sup>; VOC 4908; VOC 9083, pp. 96-7).

\*The figures for these years are based on rough statements of sale (*ruwe rendementen*).

\*\* Fourth Anglo-Dutch War.



# APPENDIX 8

## ANNUAL IMPORTS AND SALES OF SUGAR BY THE VOC AT SURAT, 1702-1792 (volumes in Dutch pounds and values in guilders)

Year	Castor sugar (pounds)	Imports	Sales	Profits %	Candy sugar (pounds)	Imports	Sales	Profits %
1701-2	305,528	26,143	34,754	34.3	11,913	2,221	2,080	
1702-3	193,135					11,764		
1703-4	446,935	33,281	59,146	73	6,952	1,064	1,676	37.3
1704-5	495,987	37,180	70,980	91	20,607	3,215	4,759	48
1705-6	NA							
1706-7	0	0	0		0	0	0	
1707-8	426,407				39,846			
1708-9	821,110	78,324	139,403	78	169,786	29,560	40,253	36.1
1709-10	NA							
1710-11	666,366	51,126	86,490	69.2	96,477	13,927	19,537	40.2
1711-12	1,136,627	89,183	143,919	61.4	259,787	38,157	48,212	26
1712-13	291,687	22,286	40,618	82.2	195,313	21,601	28,578	32.2
1713-14	574,206	44,048	78,912	79.1	96,657	13,741	19,574	42.3
1714-15	761,007	60,447	112,766	86.5	183,937	26,708	34,588	29.5
1715-16	598,875	46,528	90,976	95.5	97,716	13,661	18,749	37.3
1716-17	750,703	56,510	116,891	106.4	102,614	14,609	20,181	39.1
1717-18	1,104,546	83,518	150,371	80	60,713	9,141	14,488	58.5
1718-19	1,228,250	96,477	163,365	69	155,557	22,118	32,622	47
1719-20	632,383	47,603	103,806	118	156,965	23,631	32,376	37
1720-21	735,144	55,780	115,997	108	100,327	18,881	21,284	12.6
1721-22	1,218,916	119,763	162,021	35.2	78,831	14,835	15,964	7.5
1722-23	773,918	70,285	88,175	25.5	151,129	26,862	29,722	10.6
1723-24*	631,325	58,149	77,122	32.6	30,250	5,572	6,417	15.2
1724-25	NA							
1725-26	1,542,014	130,400	171,480	31	0	0	0	
1726-27	414,816	31,226	52,785	69	377,349	46,182	53,490	15.9
1727-28	869,296	68,500	108,904	59	95,547	15,788	17,572	11.3
1728-29	869,714	77,973	108,720	39.5	77,161	13,222	14,179	14.2
1729-30	774,770	75,531	104,382	38.2	143,570	24,602	28,372	15.5
1730-31	371,442	36,372	58,695	60.2	0	0	0	
1731-32	946,858	87,710	142,722	62.4	190,287	32,608	40,013	22.6
1732-33	389,256	36,153	59,483	64.5	0	0	0	
1733-34	1,297,661	122,628	191,134	55.9	143,316	22,804	33,802	48.2
1734-35	966,618	82,820	124,005		95,341	15,171	22,720	
1735-36	283,194	22,531	31,148	38.2	0	0	0	
1736-37	317,964	26,279	36,562		0	0	0	
1737-38	577,534	45,960	68,809	49.7	0	0	0	
1738-39	1,306,450	111,937	171,703	53.5	22,823	3,492	3,485	0
1739-40	1,065,463	93,466	145,165	55.6	5,022	799	1,229	54
1740-41	986,448	84,519	134,881	59.6	178,846	28,458	36,035	26.6
1741-42	0	0	0		0	0	0	
1742-43	NA							
1743-44	328,715	24,062	49,096	70.3	42,874	6,446	10,781	67

Year	Castor sugar (pounds)	Imports	Sales	Profits %	Candy sugar (pounds)	Imports	Sales	Profits %
1744-45	NA							
1745-46*	1,190,369	108,812	208,531	91.6	128,760	18,997	33,017	73.7
1746-47	1,230,328	110,579	187,497	69.5	35,354	4,507	8,063	78.2
1747-48	1,765,683	152,097	304,480	100	186,996	25,838	44,747	73
1748-49	1,023,934	89,532	228,920	155.4	108,272	14,843	27,956	85
1749-50	1,953,411	162,352	391,043	140.9	147,667	20,243	36,443	80
1750-51	3,434,397	295,273	578,659	96	151,455	23,231	36,345	56.5
1751-52	2,255,568	198,779	425,835	114.2	472,647	73,451	109,171	48.6
1752-53	1,347,343	118,064	287,449	143.5	140,378	19,330	35,359	82.9
1753-54	741,774	63,469	167,590	154.6	79,947	11,187	20,681	84.9
1754-55	2,255,343	192,970	409,395	112.1	0	0	0	
1755-56	2,261,663	195,562	315,502	61.4	0	0	0	
1756-57	315,775	25,989	42,945	65.2	134,593	17,991	32,773	82.1
1757-58	3,227,355	272,054	414,611	52.4	76,611	10,182	18,380	80.5
1758-59	1,883,387	158,975	277,905	74.7	44,479	6,273	10,197	62.5
1759-60	2,237,707	189,125	332,759	76	299,449	42,255	67,411	59.5
1760-61	3,185,760	271,861	516,451	90	190,061	29,455	43,571	47.9
1761-62	1,516,261	132,346	273,479	106.6	167,663	26,269	38,478	46.5
1762-63	824,280	71,857	154,268	114	87,343	13,511	20,550	52
1763-64	1,805,475	158,915	296,625	86.6	66,666	10,727	15,281	42.5
1764-65	2,628,086	224,433	456,518	103.4	276,945	43,847	63,490	44.7
1765-66*	3,533,000	252,238	504,476		277,000	41,827	59,555	42.4
1766-67	3,754,295	330,677	591,301	78.7	0	0	0	
1767-68	2,785,230	245,456	438,674	78.7	114,804	17,424	24,711	41.9
1768-69	253,419	18,381	28,890	57.1	42,014	5,187	7,235	39.5
1769-70	2,248,742	161,755	254,077	57.1	120,286	15,071	20,697	37.4
1770-71	2,930,744	212,541	336,410	58	150,658	18,870	25,915	37.4
1771-72	3,293,650	239,397	351,746	46.4	177,186	22,194	30,118	35.6
1772-73	1,308,769	95,183	157,372	65.4	53,575	6,748	9,001	33.4
1773-74	1,236,166	110,204	187,195	69.9	188,805	23,654	34,123	44.2
1774-75	581,695	41,753	80,329	92.4	219,319	28,077	40,010	42.5
1775-76	289,652	20,909	43,448	107.7	24,848	3,214	4,771	48.5
1776-77	2,985,347	217,387	397,697	83	164,067	21,264	36,049	69.5
1777-78	2,132,411	155,044	301,675	94.6	225,445	29,196	49,437	69.4
1778-79	1,715,718	119,371	242,296	103	136,981	17,729	28,639	61.2
1779-80	1,839,769	132,806	262,437	97.6	135,093	17,522	24,789	41.5
1780-84**								
1784-85	869,266	63,038	128,825	104.4	20,651	2,667	3,953	48.2
1785-86	142,734	10,741	23,018	114.2	9,661	1,321	2,104	58.6
1786-87	2,053,018	164,352	298,867	81.9	14,421	1,980	3,141	58.6
1787-88	1,764,209	145,326	249,305	71.5	0	0	0	
1788-89	1,670,446	136,369	228,517	67.9	0	0	0	
1789-90	1,786,691	147,276	228,760	55.4	0	0	0	
1790-91	1,840,936	149,191	260,246	74.5	0	0	0	
1791-92	3,157,055	257,908	442,724	71.7	0	0	0	

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia, 1711-1793 (VOC 1679, pp. 34-5; VOC 1685, p. 2598; VOC 1714, pp. 44-5; VOC 1797, pp. 190-1; VOC 1802, pp. 2132-3; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015,

pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>V</sup>-52<sup>T</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2447, pp. 48-9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2679, pp. 92-3; VOC 2704, p. 45; VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>V</sup>-98<sup>T</sup>; VOC 3179, ff. 479<sup>T</sup>, 485<sup>T</sup>; VOC 3207, f. 154<sup>V</sup>; VOC 3238, ff. 358<sup>V</sup>-359<sup>T</sup>; VOC 3268, ff. 70<sup>V</sup>-71<sup>T</sup>; VOC 3328, pp. 129-30; VOC 3354, ff. 179<sup>V</sup>-180<sup>T</sup>; VOC 3408, p. 65; VOC 3409, p. 181; VOC 3437, ff. 45<sup>V</sup>-46<sup>T</sup>; VOC 3462, ff. 45<sup>V</sup>-46<sup>T</sup>; VOC 3490, ff. 371<sup>V</sup>-372<sup>T</sup>; VOC 3521, f. 85<sup>V</sup>; VOC 3549, ff. 89<sup>V</sup>-90<sup>T</sup>; VOC 3576, ff. 70<sup>V</sup>-71<sup>T</sup>; VOC 3642, ff. 281<sup>V</sup>-282<sup>T</sup>; VOC 3696, ff. 12<sup>V</sup>-13<sup>T</sup>; VOC 3727, ff. 256<sup>V</sup>-257<sup>T</sup>; VOC 3853, ff. 103<sup>V</sup>-104<sup>T</sup>, 113<sup>V</sup>-114<sup>T</sup>; VOC 3899, ff. 58<sup>V</sup>-59<sup>T</sup>; VOC 3933, ff. 43<sup>V</sup>-44<sup>T</sup>; VOC 3982, ff. 201<sup>V</sup>-202<sup>T</sup>; VOC 4908; VOC 9083, pp. 96-7).

\* The figures for these years are based on rough statements of sale (*ruwe rendementen*).

\*\* Fourth Anglo-Dutch War.

APPENDIX 9

PURCHASE AND SALE PRICES, 1707-1792

(in guilders per 100 Dutch pounds)

Year	Cloves		Nutmeg		Copper		Castor sugar	
	Purchase	Sale	Purchase	Sale	Purchase	Sale	Purchase	Sale
1706-7	37:03:12	525:06:04	09:07:08	355:12:08	41:05:00	67:03:12		
1708-9			05:04:04	366:11:04	40:12:08	63:15:00	09:07:08	16:17:08
1712-13	32:10:00	516:11:04		355:12:08	41:05:00	65:06:04	07:10:00	13:15:00
1713-14	33:08:08	516:11:04	08:02:08	357:03:12	41:05:00	66:05:00	07:10:00	13:08:12
1714-15	35:00:00	516:11:04	08:02:08	356:05:00	41:05:00	65:13:04	07:16:04	14:13:12
1716-17	34:07:08	513:15:00	08:02:08	355:12:08	41:11:04	68:08:12	07:10:00	15:06:04
1717-18	34:01:04	516:05:00	07:16:04	357:10:00	41:11:04	68:15:00	07:10:00	13:08:12
1718-19	34:01:04	519:01:04	07:16:04	358:15:00	41:11:04	68:15:00	07:16:04	13:02:08
1719-20		513:15:00		357:03:12		63:15:00		16:05:00
1720-21		516:11:04		357:10:00		67:10:00		15:12:08
1721-22		516:11:04		355:12:08		65:06:04		13:02:08
1722-23		513:15:00		357:10:00		64:07:08		11:05:00
1725-26		513:15:00		355:12:08		68:08:12		11:10:00
1726-27		519:01:04		358:08:12				11:10:00
1727-28		515:18:12		357:10:00		67:16:04		11:10:00
1728-29		515:12:08		357:10:00		82:03:12		11:10:00
1729-30		515:18:12		357:03:12				13:08:12
1730-31		515:12:08		357:10:00				15:12:08
1731-32				357:10:00		82:03:12		15:12:08
1732-33		513:02:08		357:10:00		82:10:00		15:06:04
1733-34		515:12:08		357:10:00		78:02:08		15:05:00
1735-36		515:12:08		317:03:12		78:02:08		10:18:12
1737-38		513:02:08		355:12:08		73:08:12		11:17:08
1738-39		313:02:08				77:16:04		13:02:08
1740-41		513:15:00		355:12:08		80:12:08		13:08:12
1741-42		513:15:00		355:12:08		80:18:12		
1743-44		499:01:04		335:18:12		81:17:08		
1744-45						81:17:08		
1746-47		500:00:00				91:08:02		16:18:11
1747-48	26:19:13	500:00:00	07:02:12	290:00:00	30:16:07	82:02:05	8:12:05	17:04:14
1748-49	40:16:00	486:18:01	20:08:00	280:00:00	25:01:13	87:02:12	8:16:04	22:10:11
1749-50	40:16:00	500:00:00	20:08:00	280:00:00	25:01:13	89:03:11	8:06:04	20:00:06
1750-51	40:16:09	500:00:00	20:08:14	280:00:00	31:04:08	85:15:05	8:11:15	16:17:00
1751-52	40:16:00	500:00:00	20:08:00	280:00:00	31:04:04	85:15:08	8:16:04	18:17:09
1752-53	45:17:08	562:01:00	20:08:00	280:00:00	31:05:00	94:07:08	8:15:08	21:06:08
1753-54	40:16:00	500:00:00	20:08:00	280:00:00			8:11:02	21:15:11
1754-55	40:15:07	499:00:00	20:07:15	280:00:00	31:03:07	90:00:00	8:11:02	18:03:01
1755-56	40:16:00	500:00:00	20:08:00	280:00:00	31:04:00	90:00:00	8:13:00	13:19:00
1756-57	40:16:00	525:00:00	20:07:04	300:00:00	31:03:07	94:00:00	8:04:10	13:12:00
1757-58	40:16:00	525:00:00	20:07:14	300:00:00	32:10:07	94:00:00	8:08:09	12:17:00
1758-59	41:14:00	525:00:00	20:08:00	300:00:00	31:13:00	94:00:00	8:08:13	14:15:02
1759-60	40:16:00	525:00:00	20:08:00	300:00:00	31:07:02	94:00:00	8:09:01	14:17:07
1760-61	40:16:00	525:00:00	20:08:00	300:00:00	31:04:01	94:00:00	8:10:11	16:04:03
1761-62	40:16:00	525:00:00	20:08:00	300:00:00	31:03:07	94:00:00	8:14:09	18:00:00
1762-63	40:16:00	525:00:00	20:08:00	300:00:00	31:03:07	90:01:04	8:14:06	18:14:05

Year	Cloves		Nutmeg		Copper		Castor sugar	
	Purchase	Sale	Purchase	Sale	Purchase	Sale	Purchase	Sale
1765-66					30:15:00	75:00:00		
1767-68	40:16:00	525:00:00	20:08:00	300:00:00	30:19:05	81:16:08	8:16:04	15:15:00
1768-69	33:13:03	420:00:00	16:16:10	240:00:00			7:05:01	11:08:00
1772-73	33:13:03	420:00:00	16:16:10	240:00:00	25:14:03	61:14:00	7:05:07	12:00:00
1773-74	33:13:04	420:00:00	16:16:09	240:00:00	25:14:04	61:14:00	7:03:08	12:03:08
1774-75	33:13:03	420:00:00	16:16:10	240:00:00			7:03:09	13:16:03
1775-76	33:13:03	420:00:00	16:16:10	240:00:00	25:14:05	72:00:08	7:04:06	15:00:00
1776-77	33:13:03	420:00:00	16:16:10	240:00:00	26:13:00	72:00:08	7:11:00	13:06:07
1777-78	33:13:03	420:00:00	16:16:10	240:00:00	25:14:05	69:00:00	7:05:07	14:02:00
1778-79	33:13:03	420:00:00	16:16:10	240:00:00	30:08:09	70:07:12	6:19:02	14:02:07
1779-80	33:13:03	420:00:00	16:16:08	240:00:00	25:13:14	72:00:00	7:05:12	14:05:05
1784-85	36:06:05	399:00:00	16:16:08	228:00:00	25:19:04	67:05:08	7:05:01	14:16:06
1785-86	36:05:04	399:11:15			27:05:05	67:05:04	7:10:08	16:02:08
1786-87	36:05:13	399:00:00	20:11:12	456:00:00	25:14:03	64:19:09	8:00:02	14:11:02
1787-88			20:09:05	456:00:00	27:10:05	62:14:00	8:04:12	14:02:10
1788-89	36:04:08	368:12:08	20:13:00	570:00:00	25:17:08	62:14:00	8:03:08	13:13:08
1789-90	36:09:05	337:10:15			25:18:14	60:19:13	8:04:14	12:16:01
1790-91		399:00:00		570:00:00	25:15:08	57:00:00	8:02:02	14:02:12
1791-92							8:03:06	14:00:06

Source: Collected from *ware rendement* (true statement of import and sale of goods by the Company at Surat) attached to the letters annually sent to Batavia (VOC 1797, pp. 190-1; VOC 1818, ff. 248<sup>v</sup>-249<sup>r</sup>; VOC 1848; VOC 1870, p. 144; VOC 1885, pp. 182-3; VOC 1897, pp. 129-31; VOC 1913, pp. 130-1; VOC 1928, pp. 106-7; VOC 1937, pp. 3063-4; VOC 1947, pp. 204-5; VOC 1999, pp. 112-13; VOC 2015, pp. 100-1; VOC 2078, pp. 130-1; VOC 2104, pp. 164-5; VOC 2137, pp. 70-1; VOC 2168, pp. 58-9; VOC 2202, pp. 78-9; VOC 2251, pp. 118-19; VOC 2293, pp. 172-3; VOC 2321, ff. 51<sup>v</sup>-52<sup>r</sup>; VOC 2355, pp. 50-1; VOC 2390, pp. 88-9; VOC 2475, pp. 56-7; VOC 2509; VOC 2544, pp. 730-1; VOC 2582, pp. 160-1; VOC 2610, pp. 44-5; VOC 2633, pp. 26-7; VOC 2704, p. 45; VOC 2747, pp. 108-9; VOC 2765, pp. 76-7; VOC 2803, pp. 38-9; VOC 2823, pp. 82-3; VOC 2842, pp. 54-5; VOC 2863, pp. 196-7; VOC 2885, pp. 48-9; VOC 2937, pp. 74-5; VOC 2967, p. 209; VOC 2995, pp. 166-7; VOC 3026, pp. 18-19; VOC 3063, pp. 58-9; VOC 3092, pp. 104-5; VOC 3117, ff. 97<sup>v</sup>-98<sup>r</sup>; VOC 3179, ff. 479<sup>r</sup>, 485<sup>r</sup>; VOC 3207, f. 154<sup>v</sup>; VOC 3238, ff. 358<sup>v</sup>-359<sup>r</sup>; VOC 3268, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3408, p. 65; VOC 3437, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3462, ff. 45<sup>v</sup>-46<sup>r</sup>; VOC 3490, ff. 371<sup>v</sup>-372<sup>r</sup>; VOC 3521, f. 85<sup>v</sup>; VOC 3549, ff. 89<sup>v</sup>-90<sup>r</sup>; VOC 3576, ff. 70<sup>v</sup>-71<sup>r</sup>; VOC 3642, ff. 281<sup>v</sup>-282<sup>r</sup>; VOC 3696, ff. 12<sup>v</sup>-13<sup>r</sup>; VOC 3727, ff. 256<sup>v</sup>-257<sup>r</sup>; VOC 3853, ff. 103<sup>v</sup>-104<sup>r</sup>, 113<sup>v</sup>-114<sup>r</sup>; VOC 3899, ff. 58<sup>v</sup>-59<sup>r</sup>; VOC 3933, ff. 43<sup>v</sup>-44<sup>r</sup>; VOC 3982, ff. 201<sup>v</sup>-202<sup>r</sup>; VOC 4908; VOC 9083, pp. 96-7).

Note: In the sources, the prices in the years between 1707 and 1744 are given in guilders per pound and for the subsequent years they are given in guilders per 100 pounds. I have converted all prices into guilders per 100 pounds.

# APPENDIX 10

## ANNUAL VALUES OF THE VOC'S EXPORTS FROM SURAT, 1751-1792 (in guilders)

Year	The Dutch Republic	Batavia	Ceylon & Cochin (in cash)	Total exports
1750-51	248,892	908,106	300,000	1,457,099
1751-52	163,889	640,882	754,086	1,558,857
1752-53	161,880	781,279	193,734	1,136,893
1753-54	282,120	613,575	825,000	1,720,695
1754-55	231,467	374,984	0	606,450
1755-56	486,779	878,509	0	1,365,288
1756-57	292,149	805,507	150,000	1,247,657
1757-58	227,746	1,004,080	216,000	1,447,826
1758-59	143,580	555,880	375,000	1,074,460
1759-60	80,752	484,326	900,000	1,465,077
1760-61	105,000	162,686	900,000	1,167,686
1761-62	123,667	223,946	450,000	797,614
1762-63	130,008	294,392	150,000	574,399
1763-64	206,138	75,304	150,000	431,442
1764-65	274,691	603,889	450,000	1,193,189
1765-66	328,237	321,145	600,000	1,249,383
1766-67	336,208	194,312	501,000	1,031,520
1767-68	370,764	250,709	300,000	921,473
1768-69*				666,675
1769-70	208,131	305,639	129,107	642,877
1770-71	144,646	220,816	142,925	508,387
1771-72	135,637	215,511	124,346	475,494
1772-73*				603,876
1773-74	126,389	374,979	2,270	503,638
1774-75	134,019	89,767	0	223,786
1775-76	NA			
1776-77	140,777	146,514	246,329	533,620
1777-78	142,397	447,073	2,188	591,658
1778-79	130,656	205,750	125,790	462,197
1779-80*	146,631			572,692
1780-81*				805,548
1784-85	101,656	129,990	45,557	277,203
1785-86	192,581	255,924	43,543	492,048
1786-87	153,424	285,618	65,846	504,888
1787-88	149,759	136,310	62,152	465,719
1788-89	159,750	322,704	69,677	552,131
1789-90	168,811	270,924	132,822	572,557
1790-91	226,026	190,417	2,415	418,858
1791-92	200,771	198,309	16,071	415,152

Source: HRB 848, Memorie van Overgave, C. L. Senff, 1768, Bijlage 14; HRB 852, Memorie van Overgave, A. J. Sluijsken, 1786, Lettera E; VOC 3297, 3328, 3804, 3853, 3900, 3982.

\* Breakup for these years is not available.

# APPENDIX 11

## FIVE-YEARLY AVERAGE ANNUAL VALUES OF THE VOC'S EXPORTS FROM SURAT, 1672-1792 (in guilders)

Year	The Dutch Republic	Asia	Total exports
1672-1676	232,471	236,771	469,242
1677-1681	143,378	228,866	372,244
1682-1686	293,541	274,869	568,411
1687-1691	352,281	227,593	579,874
1692-1696	383,499	300,357	683,856
1697-1701	603,737	480,654	1,084,391
1702-1706	671,117	159,361	830,478
1707-1711	240,452	199,683	440,135
1712-1716	169,225	246,053	415,278
1717-1721	225,571	137,526	363,097
1722-1726	178,789	177,423	356,212
1727-1731	130,295	209,359	339,654
1732-1736	152,699	217,275	369,974
1737-1741	175,103	186,937	362,039
1742-1746	188,518	238,644	427,162
1747-1751	268,006	695,547	963,553
1752-1756	265,227	657,846	923,073
1757-1761	169,845	602,496	772,341
1762-1766	212,548	303,735	516,283
1767-1771	353,486	222,511	575,997
1772-1776	132,015	226,752	358,767
1777-1781	140,115	266,446	406,561
1781-1784*			
1785-1789	175,862	176,439	352,301
1790-1792	251,579	158,689	410,268

Source: The figures from 1672-76 to 1747-51 have been taken from Prakash, *European Commercial Enterprise*, Table 5.1. The averages for the remaining years are based on the figures in Appendix 10.

\* Fourth Anglo-Dutch War.

# APPENDIX 12

## AVERAGE COTTON PRICES AT SURAT (in rupees per *candy*)

Year	Price	Year	Price
1746-47	70	1770-71	75
1747-48	100	1771-72	76
1748-49	91.7	1772-73	95
1749-50	89	1773-74	88
1750-51	137.5	1774-75	97
1751-52	85.5	1775-76	95
1752-53	110	1776-82	NA
1753-54	NA	1782-83	95
1754-55	130	1783-84	95
1755-56	136.5	1784-85	95
1756-57	89.5	1785-86	95
1757-58	87.5	1786-87	102.5
1758-59	87	1787-88	98
1759-60	117	1788-89	108.5
1760-61	106.5	1789-90	112
1761-62	108.5	1790-91	112
1762-63	81.5	1791-92	117.5
1763-64	70.5	1792-93	124
1764-65	86	1793-94	125
1765-66	80	1794-95	88
1766-67	72	1795-96	106
1767-68	83	1796-97	137
1768-69	85	1798-99	114
1769-70	78		

Note: The prices in this table are the averages of the several quotations of price in a year. Source: VOC 3490; BCP 49, pp. 70-1, 271-2, 336; BCP 50, pp. 31, 105-6; BCP 59, pp. 271-2; BCP 60, p. 1054; SFD 14/1, p. 240; SFD 16/1, pp. 123, 150, 182, 185, 197; SFD 16/II, pp. 435, 485; SFD 19, p. 151; FRS 49, p. 95; FRS 53, p. 68; FRS 55, p. 59; FRS 56, p. 40; FRS 61, p. 58; FRS 62, p. 133; FRS 65, pp. 75-6, 325, 382; FRS 67, pp. 33-4, 397-8; FRS 68, p. 82; FRS 70, p. 101; FRS 71, pp. 48-9, 144; FRS 76, p. 173; FRS 78, p. 278; FRS 80, p. 168; Home Misc. 476, pp. 141-5.





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## INDEX

- adoption, 54
- advances, system of, 28, 29-30, 32-3, 48, 76, 90, 123, 133, 143, 145-7
- agate, 44
- Agra, 10, 12, 25, 99, 130, 155
  - Dutch factory at, 86
- Ahmadabad, 7, 11, 12, 13, 25, 26, 30, 33, 86, 87, 101, 129, 137
  - governor of, 13
  - Maratha occupation of, 14, 131, 135
  - merchants/brokers of, 13, 74, 77, 130
  - migration of manufacturers from, 30, 131-2
- al-Busaidis, rulers of Oman, 63
- Ali, Mohammad, 153, *see* Ali, Mulla Mohammad
- Ali, Mulla Mohammad, 58, 130-1
- Aminuddin, Mulla, 58
- Aminuddin, a shipowner of Surat, 61
- Amod, cotton from, 133, 143
- Amsterdam, 100, 119, 122, 123
- Anglo-Bania order, 17
- Anglo-Bania partnership, 79
- Anglo-Dutch War, 55, 56, 90, 91, 95, 101, 110, 125
- Anglo-Maratha wars, 18, 56, 125
- Angria, Kanhoji, 19, 77
- Ankleshwar, 25
- Appaji Pandit, 20
- Arab merchants, 63, 115, 139
- Arabian Sea, 13, 83, 139
- Armenians, 52, 63, 66, 71, 72, 74, 126
- Asiatic despotism, 4
- Atmaram, Mayaram, 146, 147
- Awadh, 5, 10
  - ruler of, 16
- Baghdadi, Salim, 59
- Bahmanji, Kowasji, 67
- bajra, 140
- Bakhshi*, of Surat, 39
- Ballimoras, pirates, 44
- Bandar Abbas, 60, 119, *see* Gombroon
- Bandara, 26
- Bania, 51, 52, 53, 57, 63, 66, 67, 71, 72, 73, 74, 79, 80, 83, 84
  - merchants/bankers, 16, 66
- bankers, 22, 52, 53, 69-70, 72, 73, 80, 83
- banking houses, 71
- Bardoli, textile production at, 25
- Baroda, 7, 11, 20, 25, 33, 101, 129, 135, 143
- Basra, 10, 32-33, 58, 59, 60, 64, 65, 67, 72, 78, 81, 88, 105, 119, 139
- Bassein, 18, 20, 44, 77, 87, 101, 110, 140
- Batavia, 36, 39, 40, 42, 55, 68, 72, 77, 78, 83, 94, 100, 119, 123, 126, 139
  - exports to, 118-19, 122, 125, 131, 135, 140
  - imports from, 87, 88, 101, 104, 110, 111, 114-15, 148
- Batila*, 60
- batta, 71
- batty*, 140
- Bay of Bengal, 63
- bazaar*, 145, 146
- Bellimoras, pirates, 20, *see* Ballimoras
- Bengal, 2, 18, 22, 25, 36, 43, 58, 59, 60, 61, 63, 64, 72, 81, 85, 88, 104, 122, 123, 124, 126, 127, 139
  - English rule in, 16-17, 21, 49, 71, 136, 151
  - imports of cotton into, 133, 137-8
  - rulers of, 6, 16
  - sugar from, 111, 114, 140
  - textile/weaving industry of, 24, 26, 28, 85, 130, 136, 137
  - weavers and manufacturers of, 6, 33
- betel, 99
- Bhavanagar, 7, 20, 26, 45, 55, 61, 65, 74, 77, 133-4, 141, 155
  - customs revenue of, 19, 134
- Bhuj, 25, 26
- Bohra, 26, 60, 64, 66, 78, 83
- Bombay, 28, 30, 31, 32, 44, 57, 58, 60, 61, 63, 64, 68, 69, 71, 74, 80, 8-4, 87, 101, 109, 110, 114, 124, 126, 132, 133, 136, 137, 141, 143, 147
- bottomry, 66, 68, 69
- Bowyear, William, EIC resident at Cambay, 132
- Brazil, sugar from, 148
- bricklayers, 34-5, 37
  - wages of, 40-1, 47
- Broach, 7, 10, 11, 12, 20, 25, 33-4, 61, 67, 74, 77, 86, 87, 101, 125, 129, 141
  - cotton/textiles production at, 26-7, 133, 137, 141, 143
  - English occupation of, 18, 125-6
- brokers, 13, 23, 30-1, 37, 39-40, 42, 44,

- 45, 48, 52, 53, 54, 55, 56, 57, 62, 66,  
67, 69, 73-6, 80, 81, 83, 86, 87, 89-  
90, 115, 123, 132, 133, 144, 145-7  
Bungar, 26  
Bushire, 139
- calico, 133  
Cambay, 6, 7, 10, 12, 32-3, 34, 39, 44,  
61, 62, 65, 74, 77, 101, 131, 132-3  
- European Companies at, 86, 87, 125,  
132  
- Gulf of, 20, 21, 44, 55, 61, 77, 134  
- indigo from, 132  
- manufacturers of, 26, 44  
- weaver's migration from, 30, 132  
Canton, 64, 78, 114  
caravan, 12, 25  
carpenters, 29, 34-35, 37, 43  
- wages of, 40-1, 47  
castes, 8, 25-27, 37, 43, 44, 47-8, 57,  
58, 67, 84  
- mobility of, 27-9  
castle, of Surat, 11, 16, 17, 55  
- English takeover of, 55, 77, 81, 152  
Castle Revolution at Surat, 16, 55  
Ceylon, 57, 61, 72, 88, 94, 122, 127  
Chalebi, Abdul Qadir, 59  
Chalebi, Ahmad, 130-1  
Chalebi, Ibrahim, 60  
Chalebi, Mohammad, 59  
Chalebi, Saleh, 54, 59  
Chalebi, Tahar, 59, 60, 81  
Chalebi, Usman, 59  
Chalebis, merchants of Turkish origin,  
64, 81, 83  
*charkha*, 25, 29  
*chauthia*, 47  
China, 3, 25, 58, 59, 64-6, 69, 78, 83,  
88, 104, 109, 114, 115, 125, 126,  
133, 137, 144, 148  
cloves, 88, 94, 95-101, 147-8  
Cochin, 59, 101, 103, 115, 122  
*codra*, 140  
coolies, 36, 38, 41  
colonialism, 3, 5, 6, 151  
copper, 12, 52, 86, 94, 103-11, 117,  
124, 127, 129, 135, 147-8  
- from Europe, 105, 109-10, 148  
- from Japan, 88, 94, 104-5, 109, 147-8  
- restrictions on the export of copper  
from Japan, 148  
coral, 132  
Coromandel, coast of, 24, 33, 85, 104,  
126, 127, 138  
cotton, 4, 15, 30, 32, 44, 47, 63, 65, 67,  
85, 87, 88, 95, 122, 123, 124, 127,  
129, 133-5, 136, 139, 140, 141-3,  
145, 147, 153, 154, 155  
- cleaner/cleaning of, 25, 29, 145  
- cultivation in Bengal, 64, 137-8  
- exports to China, Bengal, and Madras,  
25, 59, 64, 78, 88, 109, 122-3, 125,  
126, 133, 137  
- export to London, 137-138  
- investments in, 32-3, 87, 109, 116,  
122-3, 125, 128, 136-7  
- prices of, 143-4  
- West Indian and American cotton, 135  
cotton carder, 29
- Dabhoi, 25  
Dada, Edul, supplier of the EIC, 66, 74,  
76, 80, 81  
Dada, Manik, a merchant and *modi* of  
the VOC, 60, 76, 80, 83  
*dam*, 12, 104  
Dam, Pieter van, 99, 100  
Daman, 11  
Dandarajapuri, 87, 110  
*daryai*, 26  
*dastak*, 20  
Dayaram, 47  
Deccan, 56, 58, 87, 100, 110, 111, 116,  
130, 138  
Delhi, 25, 130  
Dhanjishah, Mancher, a Parsi merchant,  
74  
Dhanjishah Manjishah, 45, 60, 74, 80,  
81, 84  
Dhollera, 155  
Dholka, textiles production at, 25  
*dhows*, 67  
diaspora, 52, 53, 58  
*dingis*, 60, 67  
Dutch, 17, 20, 31, 34, 36, 38, 39, 55,  
56, 57, 59, 60, 61, 64, 65, 68, 69, 72,  
77, 79, 80, 139, 140, 144, 146  
Dutch East India Company (VOC), 7,  
12, 25, 48, 54, 72, 85-127, 130, 131,  
134, 135, 139, 146, 154  
- brokers/suppliers of, 54-7, 67, 72, 73-  
5, 76, 80, 86-90, 115, 123-5, 146  
- imports into/exports from Gujarat, 55,  
86-128, 132, 133, 136, 147-8  
- passes issued by, 58, 59  
- protection of, 55-6, 78-9  
- ships, 20, 44, 87-8, 89, 119  
Dutch Republic, 152
- East Africa, 7, 62, 78, 83, 155  
- coast/ports of, 63  
economic growth, 1, 3, 4, 10, 129, 135,  
145, 152-4  
English, 15, 16, 17, 18, 20, 28-9, 30,

- 35, 45, 58, 59, 60, 61, 64, 65, 68, 69,  
72, 78, 87, 100, 105, 109, 110, 119,  
123, 125, 139, 144-6, 148, 151, 154  
- imports into Gujarat, 109-10, 114-16  
- private merchants, 36, 40, 46, 64, 74,  
82, 94, 95, 101, 103, 109, 110, 114,  
116, 124, 125, 126, 128, 132, 135,  
136, 148  
- ships, 60, 64, 65, 114, 144  
English custom-house, 17, 46, 63, 67,  
79, *see also, latty*  
English East India Company (EIC), 7,  
12, 26, 31, 32, 51, 59, 62, 64, 65, 68,  
70-1, 72, 78, 83, 84, 101, 109, 132-4  
- assumption of political and fiscal  
powers, 15-16, 17-18, 19, 21, 31, 51,  
55, 71, 77, 80, 81-2, 84, 94, 110,  
136, 151  
- brokers/suppliers of, 57, 74, 146, 147  
- investments/purchases, 31-2, 66, 67,  
69, 128, 133, 136-8, 141, 143  
- monopoly of freight trade, 19, 81-3  
- protection of, 44, 56, 57, 59, 60, 61,  
64, 67, 73, 78-9, 80-2, 83  
- share in the revenues, 19, 46  
English Industrial Revolution, 4, 140,  
151  
*erindy*, 140  
European Companies, 2, 8, 12, 13, 16,  
17, 20, 24, 28, 30, 34, 38, 45, 48, 52,  
53, 54, 56, 61, 62, 67, 69, 70, 74, 75,  
76, 77, 78, 80, 84, 85, 86, 94, 95,  
101, 109, 114-17, 124, 125, 128,  
129, 130-6, 139, 143, 146-8, 154  
  
Fakhruddin, Mulla, 54, 58, 81  
*Faiz Alam*, 59  
*Faiz Bakhsh*, 60  
*Faiz Khudai*, 60  
*Faiz Qadri*, 60  
*Faizrasan*, 55  
*Faiz Rasool*, 60  
*Faiz Subhani*, 60  
famines, 30, 35, 144, 153  
Fath, Mulla Abdul, 59  
*Fath-i Ilahi*, 59  
*Fath-i Nusrat*, 59  
*farman*, 59  
French, 15, 31, 79, 114, 146, 148  
- East India Company, 16  
- passes, 59  
*furza*, 17, 46, 47, 64, 82  
  
GDP (gross domestic product), 4, 145,  
149, 153  
Gaekwar, Damaji, 14, 15, 20  
Gaekwar, Fateh Singh, 18  
  
Gaekwars, of Baroda, 13-14, 17-19  
Gandevi, sugar production at, 140  
- cotton/textiles production at, 25, 129  
*Ganjawar*, 59  
Ghafur, Abdul, 58, 153  
*ghee*, 43  
*ghurab*, 44, 60  
Godhra, 11, 12  
Gogha, 10, 20, 65, 155  
Gombroon (Bandar Abbas), 60  
Govindji, Kalyan, 38  
Govindram, Premshankar, 55, 56  
Graaff, W. J. van de, VOC director at  
Surat, 61  
Great Britain, 5, 6  
great divergence, 3, 153  
Gujarat, 1, 2, 6, 7, 10-13, 15  
- agricultural economy of, 140  
- economy of, 129, 130, 149  
- English political ascendancy in, 15-17  
- governors of, 22  
- hereditary chiefs of, 19-20  
- imports into/exports from, 24, 85, 86,  
88, 90-128, 130, 133, 147-8, 155  
- merchants/merchant communities of,  
7, 51, 52, 53, 63-5, 73, 78, 84, 131,  
151-4  
- cotton/textiles from, 24, 31, 135, 136,  
137-9, 141, 143, 144  
- weavers/manufacturers/producers of, 7,  
30, 32, 33  
  
Haidar Ali, ruler of Mysore, 18  
*Haidar Bakhsh*, 60  
hajj, 10  
*haoris*, 60  
*Harcourt*, 65, 67  
*hasil*, 141  
Hirji, Bhimji, a Parsi merchant, 63, 67  
horses, 134  
Hughes, Edward, commander of an  
English warship, 60  
*Huijgewaard*, 44  
*hundi*, 52, 69, 70  
Husain, Mohammad, a merchant, 64  
  
*ijara*, farming of revenue, 14  
- in the Ottoman Empire, 14  
Indian value system, 3-4  
indigo, 12, 15, 27, 85, 117, 129, 130,  
134, 140, 143  
- of Bayana, 10  
- introduction of indigo cultivation in  
Madras and Bengal Presidencies, 132  
- monopoly of trade in, 13  
- production at Cambay, 132  
- from West Indies and trans-Atlantic



- English colonies, 132  
 Indonesian Archipelago, 148  
 iron, 88, 89  
*Istanbul*, 59  
 ivory, 63, 88
- jagersuijker*, 140  
 jaggery, 140  
*jagir*, 14  
*jagirdar*, 14  
*jama*, 141  
*Jamadar*, 46  
 Jambusar, 20, 26, 129, 133, 143  
 Jeddah, 10, 32, 58, 59, 60, 64, 65, 69, 72, 78, 81, 83, 88, 139  
 Jessu, Rustam, a Parsi merchant and shipowner, 60, 66, 76  
 Jewish merchants, 61, 67  
 Jiwan, Govardhan, a shipowner of Surat, 60  
 Joseph Cobain, a Jewish merchant, 61  
 Junagarh, the Nawab of, 20, 44  
*juwar*, 140
- Kachh, 7, 11, 25, 44, 61, 63, 65, 74, 116, 134, 143, 155  
 - cotton and textiles from, 27, 129, 141  
 - Dutch expedition in the Gulf of, 65  
 - Gulf of, 7, 10, 20, 55, 63, 64, 65, 87, 134, 155  
 - Kachhi horses, 134  
 - raja of, 65, 87  
 - the VOC in, 110, 124  
 Kathiawar, 7, 20, 44, 65, 129, 134, 140  
*keesdar*, 125, 132  
 Khan, Ali Nawaz, 80  
 Khan, Bahram, governor of Surat, 58  
 Khan, Hamid, governor of Ahmadabad, 13  
 Khan, Mir Hafizuddin Ahmad (Nawab of Surat, 1763–90), 60  
 Khan Mir Nizamuddin Ahmad (Nawab of Surat, 1790–9), 60  
 Khan, Safdar, 28, 31, 80  
 Khan, Sarbuland, governor of Ahmadabad, 13  
 Khan, Tegh Beg, 16, 58  
 Khatri, a weaving caste, 26–8, 31, 48  
*Khuda Bakhsh*, 60  
 Kolis, 20, 44, 45  
 Kowasji, Bahmanji, 56–57  
 Khurshedji, Kowasji, 56, 80  
 Khurshedji, Mancherji, the VOC broker, 54, 55–7, 66, 67, 68, 73–5, 79, 80, 83, 89, 90  
 Kowasji, Kunwarji, the VOC broker at Cambay, 74
- Kunbi, a weaving caste, 26–8, 31
- labour market, 7, 24, 33–8, 41, 43, 47, 48  
 Lahore, 130  
 Laldas, Jagannath, the EIC broker, 54, 74, 80, 81  
*latty*, 17, 46, 67, 79, 82  
 local navies, 19–21  
 looms, 25–7, 29, 34, 135
- Macao, 114  
*mahajan*, 45  
 Mahmud, Shaikh, a Bohra merchant, 60  
 Malabar Coast, 7, 61, 65, 69, 72, 88, 94, 101, 103, 115, 119, 127  
 Malay Coast, 58, 59, 64  
 Malay-Indonesian Archipelago, 63–5  
 Malwa, 130, 155  
 Mancherji, Bahmanji, the EIC's supplier, 138  
 Mandvi, 10, 20, 62, 155  
 - Dutch trade at, 87, 134  
 Manik, Bahman, the *modi* of the VOC, 76  
 Manikji, Dadabhai, supplier of the EIC, 60, 66, 74, 76, 80, 81, 83  
 Manikji, Rustam, the Parsi broker of the EIC, 57  
 Manila, 148  
 Maratha, 13, 14, 16, 18–19, 32, 86, 88, 100, 101, 104, 110–11, 130, 135, 144  
 - debacle at Panipat in 1761, 15  
 - fiscal administration, 14–15, 21, 45–7, 111, 141  
 - naval activities, 19–21, 44  
 - occupation of Gujarat, 14, 87, 110, 125, 131, 135  
 Masqat, 59, 63, 64, 83, 105, 139  
 - merchants of, 67  
 Masulipatnam, 139  
 Mauritius, 148  
 Max Weber, 4  
 mercantilism, 2, 33, 48  
 military fiscalism, 2, 48  
*Minerva*, 64  
*modi*, 60, 76  
 Mokha, 10, 32, 58, 59, 60, 64–6, 67–9, 72, 78, 81, 83, 88, 119, 139  
 money market, 7, 15, 22, 24, 53, 67, 71–2, 84, 137  
 Moroji, Haritrimbak, a shipowner of Surat, 60  
*moth*, 140  
 Mozambique, 63  
*Mubarak Faizrasan*, 55  
 Mughal custom-house, 17, 64, *see, furza*

- Mughal mints/monetary system, 69-70,  
     104, 109, 130  
*muhr*, 12  
 Multan, 130  
*mung*, 140  
*munshi*, 46  
*muqaddam*, 28  
 Muslims, merchants/shipowners/  
     freighters, 53, 57, 62, 63, 67, 78, 83,  
     84, 153  
*mutasaddi*, of Surat, 11, 131  
 Mysore, 18, 67
- Nadiad, 25  
 Nagardas, Tarachand, 55  
*nagli*, 140  
 Nana Phadnavis, 18  
 Nanabhai, Kalyan, 38  
 Nanabhai, Naurozji, 60  
 Nandu, Raghunath, a merchant and  
     agent, 67  
 Nasik, 140  
 Navanagar, 11, 19, 65, 124, 134  
   - cotton/textiles from, 141, 155  
   - pearls of, 134  
 Navsari, sugar from, 140  
   - cotton and textiles from, 25, 26, 129  
 Nawab, of Broach, 18, 141  
   - of Cambay, 65  
   - of Junagarh, 20, 44  
   - of Surat, 17, 18, 28, 39, 46, 59, 60, 81,  
     83  
 Nizam of Hyderabad, 15  
 nutmeg, 88, 95-101, 147-8
- Oman, merchants of, 63  
 opium, 155
- Pandit, Shankarji, 131  
 Parekh, Bhimji, 57  
 Parekh, Jagannath Laldas, *see* Laldas,  
     Jagannath  
 Parsi, merchants/community, 51, 55, 57,  
     60, 63, 64, 66, 67, 71, 74, 76, 78-80,  
     83, 123, 133, 153  
   - carpenter, 43  
   - weavers, 26, 28, 44  
 partnership, in trade, 57, 58, 66, 80  
*patel*, 28  
 Pegu, 58, 64  
 pepper, 69, 85, 88, 101-3, 119, 127  
 Persian Gulf, 7, 55, 57, 63, 78, 82, 83,  
     111, 115, 119, 139  
   - freight trade with, 19, 62  
*peshkash* (tribute), 11, 19  
*peshwa*, 13-14, 15, 17-18, 47, 131, 141  
 Pestonji, Manikji, 67
- piece-goods, 26, 27, 33, 59, 63, 67, 85,  
     95, 122, 126, 133, 138, 139, 141,  
     145, 146  
 piracy, in the Gulf of Cambay, 20-1, 45  
 pirates, 44, 45, 61, 77-8  
 plague, 132  
 Porbandar, 65  
 Portuguese, 3, 9, 12, 20, 31, 35, 69, 79,  
     80, 99, 101, 114, 125, 126, 128, 133,  
     135, 139, 145-6, 148
- qiladar*, of Surat, 11, 16, 17
- Raidas, Rudraram, 54, 55, 56, 57, 74,  
     75, 80, 83, 89, 90  
 Rao, Balaji Baji, the *Peshwa*, 131  
 Rao, Madhav, 15  
 Rao, Narayan, 15  
 Rao, Raghunath, 15, 17, 18  
 Ratanji, 76, 80, 123  
 Ratanji, Harmuzji, 76, 123  
 Ratanji, Nathu, 38  
 Ratanshah, Jannashah, a shipowner of  
     Surat, 60  
 Readymoney, Hirji, a Parsi merchant of  
     Bombay, 60  
 Readymoney, Mancher, a Parsi merchant  
     of Bombay, 60  
 Red Sea, 19, 52, 55, 57, 62, 78, 82, 119,  
     139  
 respondentia, 60, 66, 67-9  
 rice, 59, 140  
 Rowji, Mowji, a merchant of Masqat, 63,  
     67  
 Rudraram, Govindram, broker of the  
     VOC, 55, 56, 57, 74, 89, 90
- Safavid Empire, 12, 77, 111, 119  
 sailors, 34, 35-44, 46, 48, 128  
*sarangs*, 39, 42  
*sari*, 26, 28, 31  
 Sarkhej, 129  
*sarraf*, 52, 69, 70, 71  
   - of Ahmadabad, 130  
*sahukar*, 52, 69, 70  
 Sangnias, pirates, 20  
 sappanwood, 27, 88, 89  
 Satara Proclamation, 18  
 Schreuder, Jan, Dutch director at Surat,  
     87, 88, 122, 131  
 Seven Years' War, 16  
*Shah Alam*, 60  
 Shah, Mohammad, the Mughal Emperor,  
     58  
 Shahjahan, the Mughal emperor, 13  
 Shankarji Pandit, 20  
 Shivaji, plunder of Surat, 130

- Shivnarain, Lala Ramnarain, the VOC broker, 55
- Shuja-ud Daula, ruler of Awadh, 16
- Siam, 55, 65, 83
- Sidis of Jaffarabad, 44
- silk, from Bengal, 12, 59, 63, 82, 136, 137
- from China, 69
  - textiles from Gujarat, 26, 30, 31, 85, 88, 95, 122, 125, 137
- Sind, 55, 61, 63, 87, 116, 130
- Singh, Maharaja Abhay, governor of Ahmadabad, 13
- Siraj-ud Daula, ruler of Bengal, 16
- soldijboekhouder*, 40, 42
- Sorabji, the VOC's supplier, 76, 80, 123
- Sorabji, Bahramji, the VOC's supplier, 76, 123
- Sorabji, Kallabhai, the VOC's supplier, 67
- Sorath, 11, 12, 140
- South China Sea, 52, 63, 64
- South-east Asia, 12, 26, 27, 78, 85, 86, 94, 100, 101, 103, 104, 111, 114, 116, 125, 137
- South-eastern India, 16, 21, 28, 30, 57
- Spencer, John, *latty*-master, 82
- spices, 43, 85, 86, 88, 94, 95-101, 104, 116, 117, 122, 124, 127, 129, 147, 148, 154, *see* cloves and nutmegs
- spinning, 24-5
- subsidiary alliance, 18
- sugar, 44, 48, 69, 85, 88, 94, 110, 111-16, 117, 127, 129, 135, 140, 147, 148, 154
- sugarcane, 140
- Sulaiman Shah*, 59
- Sultanate of Gujarat, 10
- Sultanpuris, priate of, 20, 77
- suppliers, of the European Companies, 28, 30, 52, 67, 72, 76, 80, 86, 87, 90, 94, 123-4, 125, 132, 138, 144, 146, 147
- spinners, 28
- wages of, 28
  - women spinners, 28
- Stavorinus, J. S., Dutch traveller, 59
- subaltern groups, 33
- Surat, 6, 10, 11, 130, 131, 134-5, 137
- cotton and textile production at, 25, 26-7, 29, 48, 137, 141, 143
  - credit network, 70-72
  - customs duties at, 82
  - English assumption of power at, 16-19, 21, 31, 77, 81
  - English chief of, 28, 31, 59, 73, 132, 145
  - Europeans at, 12, 72, 74, 77, 79, 85, 87-8
  - imports into and exports from, 90-128, 135-9
  - merchants/merchant communities of, 40, 51, 54-60, 61-76, 77, 78, 79, 80, 82-4, 130-1, 134, 147, 154
  - Nawabs/governors of, 16, 18, 28, 60, 80-1, 83
  - shipping at, 35, 60-1
  - textile producers of, 2, 28, 29, 31
- Tarwadi, Arjunji Nathji, 71
- textiles, 2, 6, 10, 12, 24-32, 47, 48, 59, 63, 65, 67, 76, 85, 88, 95, 103, 116-17, 122-8, 129, 135, 136, 143, 145-7, 153-5
- European demand for/procurement of, 27, 76, 129, 130, 131-9, 140-1, 143, 145-6
- Tibet, 134
- tin, 88, 89, 104
- Tipu Sultan, ruler of Mysore, 67
- tobacco, 140
- Treaty of Bassein, 18
- Treaty of Salbai, 18
- Vietnam, 104
- Wake, William, the English governor of Bombay, 58
- Waliuddin, Mulla, 59
- Wanmalidas, Kishordas, 55
- weavers, 24-5, 27-33, 143, 145-6
- of Bengal, 28
  - migration of, 30, 132-3, 143
  - producing for the EIC, 25
  - wages of, 28-9
- wheat, 140
- Witt, Pieter de, 100
- world economy, 3, 85, 154
- yarn, 65, 88, 122, 124
- demand for, 25, 136
  - dyeing of, 27
  - spinning of, 25, 26, 28, 145
- Yusuf, Abdullah ibn, a Jewish merchant of Basra, 67
- zamindar, 14, 19
- Zanzibar, 63, 83
- zielverkopers*, 38, 42, 48